

AMENDED IN ASSEMBLY AUGUST 22, 2014

AMENDED IN ASSEMBLY AUGUST 13, 2014

AMENDED IN ASSEMBLY AUGUST 4, 2014

SENATE BILL

No. 872

Introduced by Committee on Budget and Fiscal Review

(Coauthors: Assembly Members Muratsuchi, Skinner, and Williams)

January 9, 2014

An act to amend the Budget Act of 2014 (Chapter 25 of the Statutes of 2014) by amending Items 0555-001-0193, 2660-001-0046, 3940-001-0193, 3980-001-0001, 3980-001-3056, *5180-001-0001*, *5180-151-0001*, 5227-101-3259, 5227-106-0001, 6110-111-0001, 6110-194-0001, 6110-195-0890, 6110-196-0001, 6110-488, 6440-001-0001, 6610-001-0001, 6870-101-0001, 7100-001-0514, 7100-001-0870, 8660-001-0462, 8660-001-0493, 8660-101-0493, 9800-001-0001, 9800-001-0494, and 9800-001-0988 of, by adding Items 0250-302-3138 and 3940-496 to, and by repealing Item 0650-001-3259 of, Section 2.00 of, and by amending Sections 11.00 and 39.00 of, that act, relating to the State Budget, and making an appropriation therefor, to take effect immediately, budget bill.

LEGISLATIVE COUNSEL'S DIGEST

SB 872, as amended, Committee on Budget and Fiscal Review. Budget Act of 2014.

The Budget Act of 2014 made appropriations for the support of state government for the 2014–15 fiscal year.

This bill would amend the Budget Act of 2014 by revising *various* items of appropriation ~~pertaining to the University of California and~~

~~the California State University~~ and making other changes to the Budget Act of 2014.

This bill would declare that it is to take effect immediately as a Budget Bill.

Vote: majority. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Item 0250-302-3138 is added to Section 2.00 of the Budget Act of 2014, to read:

0250-302-3138—For capital outlay, Judicial Branch, payable from the Immediate and Critical Needs Account, State Court Facilities Construction Fund..... \$27,000,000
Schedule:

(1) 91.34.001-Sacramento County: New Sacramento Criminal Courthouse-Pre-liminary Plans and Working Draw-ings..... \$27,000,000

Provisions:

1. Notwithstanding any other provisions of law, the funds appropriated in Schedule (1) shall be available for encumbrance until June 30, 2016.

SEC. 2. Item 0555-001-0193 of Section 2.00 of the Budget Act of 2014 is amended to read:

0555-001-0193—For support of Secretary for Environmental Protection, for payment to Item 0555-001-0044, payable from the Waste Discharge Permit Fund..... 1,800,000
Provisions:

1. Of the amount appropriated in this item, \$1,500,000 is contingent upon penalty revenues that are subject to separate accounting in accordance with subdivision (c) of Section 13264, subdivision (f) of Section 13268, subdivision (k) of Section 13350, and paragraph (2) of subdivision (n) of Section 13385 of the Water Code in excess of \$229,000 being received and deposited

into the Waste Discharge Permit Fund after June 30, 2014, and before July 1, 2015. If the penalty revenues described in the preceding sentence exceed \$229,000, then notwithstanding subdivision (c) of Section 13264, subdivision (f) of Section 13268, subdivision (k) of Section 13350, and paragraph (2) of subdivision (n) of Section 13385 of the Water Code, the amount in excess of \$229,000, up to a total of \$1,500,000, shall be available for environmental justice grants pursuant to Section 71116 of the Public Resources Code. These funds are available for encumbrance or expenditure until June 30, 2016.

SEC. 3. Item 0650-001-3259 of Section 2.00 of the Budget Act of 2014 is repealed.

SEC. 4. Item 2660-001-0046 of Section 2.00 of the Budget Act of 2014 is amended to read:

2660-001-0046—For support of Department of Transportation, for payment to Item 2660-001-0042, payable from the Public Transportation Account, State Transportation Fund..... 182,104,000

Provisions:

1. For Program 30—Mass Transportation, \$119,487,000 appropriated in this item is available for intercity rail contracts.
2. Notwithstanding any other provision of law, funds appropriated in this item from the Public Transportation Account may be reduced and replaced by an equivalent amount of federal funds determined by the Department of Transportation to be available and necessary to comply with Section 8.50 and the most effective management of state transportation resources. Not more than 30 days after replacing the state funds with federal funds, the Director of Finance shall notify in writing the chairpersons of the committees in each house of the Legislature that consider appropriations and the Chairperson of the Joint Legislative Budget Committee of this action.

- 1 3. Of the funds appropriated in this item, the Department
2 of Finance may transfer expenditure authority among
3 schedules to accommodate increases in Amtrak con-
4 tract costs related to fuel.

5
6 SEC. 5. Item 3940-001-0193 of Section 2.00 of the Budget
7 Act of 2014 is amended to read:

8
9 3940-001-0193—For support of State Water Resources Control
10 Board, for payment to Item 3940-001-0439, payable from
11 the Waste Discharge Permit Fund..... 114,038,000
12 Provisions:

- 13
14 1. Of the amount appropriated in this item, up to
15 \$1,800,000 shall be from the penalty revenues that are
16 subject to separate accounting in accordance with
17 subdivision (c) of Section 13264, subdivision (f) of
18 Section 13268, subdivision (k) of Section 13350, and
19 paragraph (2) of subdivision (n) of Section 13385 of
20 the Water Code. These funds shall be available to
21 support a pilot program to address the environmental
22 issues and natural resource damages associated with
23 the cultivation of marijuana.
- 24 2. Of the amount appropriated in this item, up to
25 \$500,000 shall be from the penalty revenues that are
26 subject to separate accounting in accordance with
27 subdivision (c) of Section 13264, subdivision (f) of
28 Section 13268, subdivision (k) of Section 13350, and
29 paragraph (2) of subdivision (n) of Section 13385 of
30 the Water Code. These funds shall be available to
31 support the greater Monterey County Regional Water
32 Management Group development of an integrated plan
33 to address drinking water and wastewater needs of the
34 disadvantaged communities in the Salinas Valley.

35
36 SEC. 6. Item 3940-496 is added to Section 2.00 of the Budget
37 Act of 2014, to read:

3940-496—Reversion, State Water Resources Control Board.
As of June 30, 2014, the unencumbered balances of the appropriations provided in the following citations shall revert to the fund balances of the funds from which the appropriations were made:

0193—Waste Discharge Permit Fund

- (1) Item 3940-001-0193, Budget Act of 2012 (Chs. 21 and 29, Stats. 2012), for the purposes specified in Provision 1 of that item.
- (2) Item 3940-001-0193, Budget Act of 2013 (Chs. 20 and 354, Stats. 2013), for the purposes specified in Provision 1 of that item.

SEC. 7. Item 3980-001-0001 of Section 2.00 of the Budget Act of 2014 is amended to read:

3980-001-0001—For support of Office of Environmental Health Hazard Assessment.....	4,616,000
Schedule:	
(1) 10-Health Risk Assessment.....	22,806,000
(2) Reimbursements.....	-3,646,000
(3) Amount payable from the Unified Program Account (Item 3980-001-0028)....	-147,000
(4) Amount payable from the Motor Vehicle Account, State Transportation Fund (Item 3980-001-0044).....	-4,052,000
(5) Amount payable from the Childhood Lead Poisoning Prevention Fund (Item 3980-001-0080).....	-144,000
(6) Amount payable from the California Used Oil Recycling Fund (Item 3980-001-0100).....	-619,000
(7) Amount payable from the Department of Pesticide Regulation Fund (Item 3980-001-0106).....	-1,916,000
(8) Amount payable from the Air Pollution Control Fund (Item 3980-001-0115)....	-772,000
(9) Amount payable from the California Environmental License Plate Fund (Item 3980-001-0140).....	-959,000

1	(10) Amount payable from the Oil Spill	
2	Prevention and Administration Fund	
3	(Item 3980-001-0320).....	-145,000
4	(11) Amount payable from the Integrated	
5	Waste Management Account, Integrated	
6	Waste Management Fund (Item 3980-	
7	001-0387).....	-277,000
8	(12) Amount payable from the Public Utili-	
9	ties Commission Utilities Reimburse-	
10	ment Account (Item 3980-001-0462)....	-157,000
11	(13) Amount payable from the Toxic Sub-	
12	stances Control Account (Item 3980-	
13	001-0557).....	-251,000
14	(14) Amount payable from the Federal Trust	
15	Fund (Item 3980-001-0890).....	-414,000
16	(15) Amount payable from the Safe Drinking	
17	Water and Toxic Enforcement Fund	
18	(Item 3980-001-3056).....	-3,969,000
19	(16) Amount payable from the Birth Defects	
20	Monitoring Fund (Item 3980-001-	
21	3114).....	-144,000
22	(17) Amount payable from the Greenhouse	
23	Gas Reduction Fund (Item 3980-001-	
24	3228).....	-578,000

26 SEC. 8. Item 3980-001-3056 of Section 2.00 of the Budget
 27 Act of 2014 is amended to read:

28
 29 3980-001-3056—For support of Office of Environmental Health
 30 Hazard Assessment, for payment to Item 3980-001-0001,
 31 payable from the Safe Drinking Water and Toxic Enforce-
 32 ment Fund..... 3,969,000

33 Provisions:

34 1. Notwithstanding any other provision of law, of the
 35 funds appropriated in Schedule (1) of Item 3980-001-
 36 0001, up to \$890,000 is available for development of
 37 an enhanced Proposition 65 Internet Web site, for ex-
 38 penditure or encumbrance until June 30, 2016. Funding
 39 provided pursuant to this provision shall be made
 40 available only upon California Department of Technol-

ogy approval of a Stage 1 Business Analysis and corresponding Feasibility Study Report.

2. The Director of Finance may increase or decrease this item of appropriation based on the final approved Feasibility Study Report. Within 30 days of making any adjustment, the Department of Finance shall report the adjustment in writing to the Joint Legislative Budget Committee.

3. Notwithstanding any other provision of law, of the funds appropriated in Schedule (1) of Item 3980-001-0001, up to \$894,000 is available for payment of a settlement agreement related to the Proposition 65 program. Any funds appropriated in excess of the amount required for payment of the settlement shall revert to the Safe Drinking Water and Toxic Enforcement Fund.

SEC. 9. Item 5180-001-0001 of Section 2.00 of the Budget Act of 2014 is amended to read:

5180-001-0001—For support of Department of Social Services.....	128,034,000
	<i>128,134,000</i>

Schedule:

(1) 16-Welfare Programs.....	73,182,000
(2) 25-Social Services and Licensing.....	192,110,000
	<i>192,210,000</i>
(3) 35-Disability Evaluation and Other Services.....	284,022,000
(4) 60.01-Administration.....	51,662,000
(5) 60.02-Distributed Administration.....	-51,662,000
(6) Reimbursements.....	-48,089,000
(7) Amount payable from the Foster Family Home and Small Family Home Insurance Fund (Item 5180-001-0131).....	-1,596,000
(8) Amount payable from the Federal Trust Fund (Item 5180-001-0890).....	-371,595,000

Provisions:

1. The Department of Finance may authorize the transfer of funds from Schedule (2) of this item to Schedule

- 1 (1), Program 25.30, of Item 5180-151-0001, Children
2 and Adult Services and Licensing, in order to allow
3 counties to perform the facilities evaluation function.
- 4 2. The Department of Finance may authorize the transfer
5 of funds from Schedule (2) of this item to Schedule
6 (1), Program 25.30, of Item 5180-151-0001, Children
7 and Adult Services and Licensing, in order to allow
8 counties to perform the adoptions program function.
- 9 3. Nonfederal funds appropriated in this item that have
10 been budgeted to meet the state's Temporary Assis-
11 tance for Needy Families maintenance-of-effort require-
12 ment established pursuant to the federal Personal Re-
13 sponsibility and Work Opportunity Reconciliation Act
14 of 1996 (P.L. 104-193) may not be expended in any
15 way that would cause their disqualification as a feder-
16 ally allowable maintenance-of-effort expenditure.
- 17 4. Notwithstanding paragraph (4) of subdivision (b) of
18 Section 1778 of the Health and Safety Code, the State
19 Department of Social Services may use no more than
20 20 percent of the fees collected pursuant to Chapter
21 10 (commencing with Section 1770) of Division 2 of
22 the Health and Safety Code for overhead costs, facili-
23 ties operation, and indirect department costs.
- 24 5. Upon request of the State Department of Social Ser-
25 vices and the State Department of Health Care Ser-
26 vices, the Director of Finance may authorize the
27 transfer of amounts from Item 4260-101-0001, State
28 Department of Health Care Services, to this item to
29 fund the cost of the administrative hearing process
30 associated with changes in aid or service payments in
31 the Medi-Cal program. The Department of Finance
32 shall report to the Legislature the amount to be trans-
33 ferred pursuant to this provision. The transfer shall be
34 authorized at the time the report is made.
- 35 6. Provision 1 of Items 5180-001-0270 and 5180-001-
36 0279 also apply to this item.
- 37 7. Notwithstanding any other provision of law, the De-
38 partment of Finance may authorize a reduction of po-
39 sitions and associated funding or authorize an increase
40 up to 5.0 positions and associated funding for the ex-

pansion of the Title IV-E Child Welfare Waiver Demonstration Project upon final federal approval of the waiver and contingent upon the final number of participating counties in the waiver extension. Approval of the increase for positions and funding would be subject to a 30-day prior notification in writing to the Joint Legislative Budget Committee and the fiscal committees in each house of the Legislature, unless the Chairperson of the Joint Legislative Budget Committee, or his or her designee, imposes a lesser time.

8. The Department of Finance and Department of Technology shall determine the appropriateness of maintaining funding for permanent positions included in this item and Item 5180-001-0890 for the Child Welfare Services-New System project during the development of the budget for the 2019–20 fiscal year or after implementation of the project is completed, whichever is later.

9. Schedule (1) reflects an increase in staffing resources for the CalWORKs program. It is the intent of the Legislature that these resources focus on successful implementation of Early Engagement components and assist in clarification of the intent of recent changes to improve the CalWORKs program and opportunities for clients in a meaningful way.

SEC. 10. Item 5180-151-0001 of Section 2.00 of the Budget Act of 2014 is amended to read:

5180-151-0001—For local assistance, Department of Social	
Services.....	68,659,000
	<i>71,559,000</i>
Schedule:	
(1) 25.30-Children and Adult Services	
and Licensing.....	1,435,400,000
(2) 25.35-Special Programs.....	28,035,000
	<i>30,935,000</i>
(3) Reimbursements.....	–252,878,000

1	(4) Amount payable from the Child Health	
2	and Safety Fund (Item 5180-151-	
3	0279).....	-924,000
4	(5) Amount payable from the State Chil-	
5	dren's Trust Fund (Item 5180-151-	
6	0803).....	-995,000
7	(6) Amount payable from the Federal	
8	Trust Fund (Item 5180-151-	
9	0890).....	-1,135,979,000
10	(7) Amount payable from the Child Welfare	
11	Services Program Improvement Fund	
12	(Item 5180-151-8023).....	-4,000,000
13	Provisions:	
14	1. Provision 1 of Item 5180-101-0001 also applies to this	
15	item.	
16	2. Notwithstanding Chapter 1 (commencing with Section	
17	18000) of Part 6 of Division 9 of the Welfare and In-	
18	stitutions Code and pursuant to Section 30029.8 of the	
19	Government Code, a loan not to exceed \$50,000,000	
20	shall be made available from the General Fund, from	
21	funds not otherwise appropriated, to cover the federal	
22	share or reimbursable share, or both, of costs of a	
23	program or programs when the federal funds or reim-	
24	bursements have not been received by this state prior	
25	to the usual time for transmitting state payments for	
26	the federal or reimbursable share of costs. The loan	
27	from the General Fund shall be repaid when the federal	
28	or reimbursable share of costs for the program or pro-	
29	grams becomes available.	
30	3. The Department of Finance may authorize the estab-	
31	lishment of positions and transfer of amounts from	
32	this item to Item 5180-001-0001, in order to allow the	
33	state to perform the facilities evaluation function of	
34	Community Care Licensing in the event the counties	
35	fail to perform that function.	
36	4. Nonfederal funds appropriated in this item which have	
37	been budgeted to meet the state's Temporary Assis-	
38	tance for Needy Families maintenance-of-effort require-	
39	ment established pursuant to the federal Personal Re-	
40	sponsibility and Work Opportunity Reconciliation Act	

of 1996 (P.L. 104-193) may not be expended in any way that would cause their disqualification as a federally allowable maintenance-of-effort expenditure.

5. The Department of Finance may authorize the establishment of positions and transfer of amounts from this item to Item 5180-001-0001 in order to allow the state to perform the adoptions function in the event that a county notifies the State Department of Social Services that it intends to cease performing that function.

6. Of the amount appropriated in this item, up to \$400,000 is available to counties for semiannual implementation progress reports related to the Katie A. v. Bonta settlement and implementation plan, as described in the department's All County Letter (ACL) No. 13-73 and ACL No. 14-29, and upon approval by the Director of Finance. Prior to approval, the Director of Finance shall consult with the State Department of Health Care Services, the State Department of Social Services, and California State Association of Counties to determine if counties incurred overall cost increases due to the notices outlined in this provision. The Department of Finance shall provide notification of the allocation to the Joint Legislative Budget Committee within 10 working days from the date of Department of Finance approval.

7. The following amounts appropriated in this item shall only be allocated to counties upon approval by the Director of Finance: (a) up to \$68,000 to support increased costs associated with revised county collection and reporting activities for cases of child abuse and neglect that result in near fatalities, as required by the federal Child Abuse Prevention and Treatment Act; and (b) up to \$3,471,000 to support increased costs to counties associated with revised federal requirements for child welfare case reviews. Prior to approval, the Director of Finance shall consult with the State Department of Social Services and the California State Association of Counties to determine if counties incurred overall cost increases. The Department of Finance

shall provide written notification of the allocation of funds to the Joint Legislative Budget Committee within 10 working days from the date of approval.

8. Funds appropriated in this item for the Commercially Sexually Exploited Children Program required by Chapter 5.2 (commencing with Section 16524.6) of Part 4 of Division 9 of the Welfare and Institutions Code shall continue to be available for expenditure or encumbrance until June 30, 2016.

9. Provision 2 of Item 5180-151-0890 also applies to this item.

~~SEC. 9.~~

SEC. 11. Item 5227-101-3259 of Section 2.00 of the Budget Act of 2014 is amended to read:

5227-101-3259—For local assistance, Board of State and Community Corrections..... 28,000,000
Provisions:

1. Of the funds appropriated in this item, \$670,000 shall be made available to the city in California with the highest rate of murder per capita as reported per 100,000 residents by city police departments with a population of 250,000 residents or greater in the 2012 United States Department of Justice Uniform Crime Report.
2. Of the funds appropriated in this item, \$665,000 shall be made available to the city in California with the highest rate of rape per capita as reported per 100,000 residents by city police departments with a population of 250,000 residents or greater in the 2012 United States Department of Justice Uniform Crime Report.
3. Of the funds appropriated in this item, \$665,000 shall be made available to the city in California with the highest rate of robbery per capita as reported per 100,000 residents by city police departments with a population of 250,000 residents or greater in the 2012 United States Department of Justice Uniform Crime Report.

- 1 4. Each city that receives a grant pursuant to Provision
2 1, 2, or 3 shall collaborate and coordinate with area
3 jurisdictions and agencies, including the existing
4 county juvenile coordination council, with the goal of
5 reducing criminal activity in the city and adjacent ar-
6 eas. Each grantee shall establish a coordinating and
7 advisory council to prioritize the use of the funds.
8 Membership shall include city officials, local law en-
9 forcement, local educational agencies, and community-
10 based organizations.

11
12 ~~SEC. 10.~~

13 *SEC. 12.* Item 5227-106-0001 of Section 2.00 of the Budget
14 Act of 2014 is amended to read:

15
16 5227-106-0001—For local assistance, Board of State and
17 Community Corrections..... 11,286,000
18 Provisions:
19 1. The funds appropriated in this item shall be allocated
20 by the Controller to county probation departments ac-
21 cording to a schedule provided by the Department of
22 Finance. The funds allocated to county probation de-
23 partments are to address the limited-term increase of
24 offenders on Post Release Community Supervision as
25 a result of the Three Judge Panel’s February 10, 2014,
26 order to increase credit earnings for certain offenders.

27
28 ~~SEC. 11.~~

29 *SEC. 13.* Item 6110-111-0001 of Section 2.00 of the Budget
30 Act of 2014 is amended to read:

31
32 6110-111-0001—For local assistance, Department of Education,
33 for allocation by the Superintendent of Public Instruction
34 to California state preschool providers pursuant to Section
35 8278.3 of the Education Code..... 10,000,000
36 Provisions:
37 1. The funds appropriated in this item shall be transferred
38 to the Child Care Facilities Revolving Fund and shall
39 be made available to local education agencies and
40 contracting agencies for the California State Preschool

1 Program facilities pursuant to Section 8278.3 of the
2 Education Code.

3
4 ~~SEC. 12.~~

5 *SEC. 14.* Item 6110-194-0001 of Section 2.00 of the Budget
6 Act of 2014 is amended to read:

7
8 6110-194-0001—For local assistance, Department of Education,
9 for allocation by the Superintendent of Public Instruction
10 to school districts, county offices of education, and other
11 agencies for child care and development programs included
12 in this item, in lieu of the amount that otherwise would be
13 appropriated pursuant to any other statute..... 822,235,000
14 Schedule:
15 (1.5) 30.10.020-Child Care Services..... 1,402,291,000
16 (a) 30.10.020.001-Spe-
17 cial Program, Child
18 Development, Gen-
19 eral Child Develop-
20 ment Programs..... 543,867,000
21 (c) 30.10.020.004-Spe-
22 cial Program, Child
23 Development, Mi-
24 grant Day Care..... 27,513,000
25 (d) 30.10.020.007-Spe-
26 cial Program, Child
27 Development, Alter-
28 native Payment Pro-
29 gram..... 182,296,000
30 (e) 30.10.020.011-Spe-
31 cial Program, Child
32 Development Alter-
33 native Payment Pro-
34 gram—Stage 2..... 354,548,000
35 (f) 30.10.020.012-Spe-
36 cial Program, Child
37 Development Alter-
38 native Payment Pro-
39 gram—Stage 3..... 219,825,000

1	(g) 30.10.020.008-Spe-	
2	cial Program, Child	
3	Development, Re-	
4	source and Refer-	
5	ral.....	18,687,000
6	(j) 30.10.020.096-Special	
7	Program, Child Devel-	
8	opment, Allowance for	
9	Handicapped.....	1,535,000
10	(k) 30.10.020.106-Special	
11	Program, Child Devel-	
12	opment, California	
13	Child Care Initia-	
14	tive.....	225,000
15	(l) 30.10.020.901-Spe-	
16	cial Program, Child	
17	Development, Quali-	
18	ty Improvement.....	46,476,000
19	(n) 30.10.020.920-Special	
20	Program, Child Devel-	
21	opment, Local Plan-	
22	ning Councils.....	3,319,000
23	(o) 30.10.020.014-Special	
24	Program, Child Devel-	
25	opment, Accounts	
26	Payable.....	4,000,000
27	(3) Amount payable from the Federal	
28	Trust Fund (Item 6110-194-0890).....	-580,056,000
29	Provisions:	
30	1. Funds in Schedules (1.5)(g), Resource and Referral,	
31	(1.5)(k), California Child Care Initiative, (1.5)(l),	
32	Quality Improvement, and (1.5)(n), Local Planning	
33	Councils, shall be allocated to meet federal require-	
34	ments to improve the quality of child care and shall	
35	be used in accordance with the approved California	
36	state plan for the federal Child Care and Development	
37	Fund that is developed pursuant to the requirements	
38	under Section 8206.1 of the Education Code.	
39	2. Nonfederal funds appropriated in this item which have	
40	been budgeted to meet the state's Temporary Assis-	

1 tance for Needy Families maintenance-of-effort require-
2 ment established pursuant to the federal Personal Re-
3 sponsibility and Work Opportunity Reconciliation Act
4 of 1996 (P.L. 104-193) may not be expended in any
5 way that would cause their disqualification as a feder-
6 ally allowable maintenance-of-effort expenditure.

7 4. Notwithstanding any other provision of law, funds in
8 Schedule (1.5)(o) are available for accounts payable
9 for alternative payment programs for actual and allow-
10 able costs incurred for additional services, pursuant
11 to Section 8222.1 of the Education Code. The State
12 Department of Education shall give priority for the
13 allocation of these funds for accounts payable.

14 5. The amounts provided in Schedules (1.5)(a), (1.5)(c),
15 (1.5)(d), and (1.5)(j) of this item reflect an adjustment
16 to the base funding of 0.49 percent for an increase in
17 the population of 0–4 year-olds.

18 6. The maximum standard reimbursement rate shall not
19 exceed \$36.10 per day for general child care programs.
20 Furthermore, the migrant child care program shall
21 adhere to the maximum standard reimbursement rates
22 as prescribed for the general child care programs. All
23 other rates and adjustment factors shall conform.

24 7. (a) Alternative payment child care programs shall be
25 subject to the rate ceilings established in the Re-
26 gional Market Rate Survey of California child
27 care and development providers for provider
28 payments. When approved pursuant to Sections
29 8357 and 8447 of the Education Code, any
30 changes to the market rate limits, adjustment fac-
31 tors, or regions shall be utilized by the State De-
32 partment of Education, the California Community
33 Colleges, and the State Department of Social
34 Services in various programs under the jurisdic-
35 tion of these departments.

36 (b) Starting July 1, 2014, through December 31, 2014,
37 the funds appropriated in this item for the cost of
38 licensed child care services provided through al-
39 ternative payment or voucher programs, including
40 those provided under Article 3 (commencing with

Section 8220) and Article 15.5 (commencing with Section 8350) of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code, shall be used only to reimburse child care costs up to the 85th percentile of the rates charged by providers offering the same type of child care for the same age child in that region, based on the 2005 Regional Market Rate Survey data. Starting January 1, 2015, the funds appropriated in this item for the cost of licensed child care services provided through alternative payment or voucher programs, including those provided under Article 3 (commencing with Section 8220) and Article 15.5 (commencing with Section 8350) of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code, shall be used only to reimburse child care costs up to the deficated 85th percentile of the rates charged by providers offering the same type of child care for the same age child in that region, based on the 2009 Regional Market Rate Survey data. The 85th percentile of rates based on the 2009 Regional Market Rate Survey shall be reduced by 10.11 percent, pursuant to Sections 8357 and 8447 of the Education Code. If the reduced rate schedule reimbursement amount for a particular county rate is less than the reimbursement amount provided for the same rate prior to January 1, 2015, then the State Department of Education shall use the rate schedule from the 2005 Regional Market Rate Survey for that particular reimbursement amount.

- (c) The funds appropriated in this item for the cost of license-exempt child care services provided through alternative payment or voucher programs, including those provided under Article 3 (commencing with Section 8220) and Article 15.5 (commencing with Section 8350) of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code, shall be used only to reimburse license-exempt child care costs up to 60 percent of the re-

gional reimbursement rate limits established for family child care homes.

8. (a) The State Department of Education (SDE) shall conduct monthly analyses of CalWORKs Stage 2 and Stage 3 caseloads and expenditures and adjust agency contract maximum reimbursement amounts and allocations as necessary to ensure funds are distributed proportionally to need. The SDE shall share monthly caseload analyses with the State Department of Social Services (DSS).
- (b) The SDE shall provide quarterly information regarding the sufficiency of funding for Stage 2 and Stage 3 to DSS. The SDE shall provide caseloads, expenditures, allocations, unit costs, family fees, and other key variables and assumptions used in determining the sufficiency of state allocations. Detailed backup by month and on a county-by-county basis shall be provided to the DSS at least on a quarterly basis for comparisons with Stage 1 trends.
- (c) By September 30 and March 30 of each year, the SDE shall ensure that detailed caseload and expenditure data, through the most recent period for Stage 2 and Stage 3 along with all relevant assumptions, is provided to DSS to facilitate budget development. The detailed data provided shall include actual and projected monthly caseload from Stage 2 scheduled to time off of their transitional child care benefit from the last actual month reported by agencies through the next two fiscal years as well as local attrition experience. DSS shall utilize data provided by the SDE, including key variables from the prior fiscal year and the first two months of the current fiscal year, to provide coordinated estimates in November of each year for each of the three stages of care for preparation of the Governor's Budget, and shall utilize data from at least the first two quarters of the current fiscal year, and any additional monthly data as they become available for preparation of

1 the May Revision. The DSS shall share its assump-
2 tions and methodology with the SDE in the
3 preparation of the Governor's Budget.

4 (d) The SDE shall coordinate with the DSS to identify
5 annual general subsidized child care program ex-
6 penditures for Temporary Assistance for Needy
7 Families-eligible children. The SDE shall modify
8 existing reporting forms as necessary to capture
9 this data.

10 (e) The SDE shall provide to the DSS, upon request,
11 access to the information and data elements nec-
12 cessary to comply with federal reporting require-
13 ments and any other information deemed neces-
14 sary to improve estimation of child care budgeting
15 needs.

16 (f) On or before January 30, 2015, following consul-
17 tation with the DSS, the SDE shall determine the
18 adequacy of funding appropriated by the Legisla-
19 ture for CalWORKs Stage 2 and Stage 3. If the
20 SDE determines that the Stage 2 appropriation
21 exceeds the current year caseload needs and the
22 Stage 3 appropriation is not sufficient to fully
23 fund its caseload need, then the SDE shall submit
24 a request to the Department of Finance to transfer
25 the excess funds from Schedule (1.5)(e), Cal-
26 WORKs Stage 2 child care to Schedule (1.5)(f),
27 CalWORKs Stage 3 child care. Notwithstanding
28 Section 26.00 or any other provision of law, the
29 Department of Finance may, at its discretion, ap-
30 prove such a transfer.

31 (g) Notwithstanding any other provision of law or
32 any other sections of this act, the Department of
33 Finance may augment the appropriation for Cal-
34 WORKs Stage 3 if the estimate of expenditures,
35 as determined by the SDE, following consultation
36 with the DSS, will exceed the expenditures autho-
37 rized in Schedule (1.5)(f). The Department of Fi-
38 nance shall report any augmentation pursuant to
39 this paragraph to the Joint Legislative Budget
40 Committee. At the time the report is made, the

- 1 amount of the appropriation made in Schedule
2 (1.5)(f) shall be increased by the amount of the
3 augmentation.
- 4 (h) The Director of Finance may, pursuant to Provi-
5 sions 8(f) and 8(g), authorize the augmentation
6 of the amount available for expenditure in
7 Schedule (1.5)(f) by making a transfer from
8 Schedule (1.5)(e). An augmentation may be autho-
9 rized not sooner than 30 days after notification in
10 writing of the necessity to exceed the limitations
11 is provided to the Joint Legislative Budget Com-
12 mittee, or whatever lesser time the chairperson of
13 the joint committee may determine. Any request
14 made by the SDE to augment the CalWORKs
15 Stage 3 appropriation shall be approved only in
16 order to cover increases in costs that are consistent
17 with assumptions of this act. This provision shall
18 not be construed to treat Stage 3 as an entitlement.
- 19 9. Notwithstanding any other provision of law, the funds
20 in Schedule (1.5)(f) are reserved exclusively for con-
21 tinuing child care for the following: (a) former Cal-
22 WORKs families who are working, have left cash aid,
23 and have exhausted their two-year eligibility for tran-
24 sitional services in either Stage 1 or Stage 2 pursuant
25 to subdivision (c) of Section 8351 or Section 8353 of
26 the Education Code, respectively, but still meet eligi-
27 bility requirements for receipt of subsidized child care
28 services, and (b) families who received lump-sum di-
29 version payments or diversion services under Section
30 11266.5 of the Welfare and Institutions Code and have
31 spent two years in Stage 2 off of cash aid, but still
32 meet eligibility requirements for receipt of subsidized
33 child care services.
- 34 10. Notwithstanding any other provision of law, each local
35 planning council receiving funds appropriated in
36 Schedule (1.5)(n) shall meet the requirements of Sec-
37 tion 8499.5 of the Education Code to the extent feasi-
38 ble and to the extent data is readily accessible.
- 39 11. Notwithstanding any other provision of law, the imple-
40 mentation of Provision 13 is not subject to the appeal

and resolution procedures for agencies that contract with the State Department of Education for the provision of child care services or the due process requirements afforded to families that are denied services specified in Chapter 19 (commencing with Section 18000) of Division 1 of Title 5 of the California Code of Regulations.

12. Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the State Department of Education may implement Provision 13 through management bulletins or similar instructions.

13. Notwithstanding any other provision of law, families shall be disenrolled from subsidized child care services consistent with the priorities for services specified in subdivision (b) of Section 8263 of the Education Code. Families shall be disenrolled in the following order: (a) families with the highest income below 70 percent of the State Median Income (SMI) adjusted for family size, (b) of families with the same income level, those that have been receiving child care services for the longest period of time, (c) of families with the same income level, those that have a child with exceptional needs, and (d) families with children who are receiving child protective services or are at risk of being neglected or abused, regardless of family income.

14. Of the amount provided in Schedule (1.5)(a), \$2,000,000 is available to provide 4,000 slots for wraparound care for part-day state preschool, beginning June 15, 2015.

~~SEC. 13.~~

SEC. 15. Item 6110-195-0890 of Section 2.00 of the Budget Act of 2014 is amended to read:

1	6110-195-0890—For local assistance, Department of Education,	
2	Program 20.60-Instructional Support, Part A of Title II of	
3	the federal Elementary and Secondary Education Act (20	
4	U.S.C. Sec. 6621 et seq.; Teacher and Principal Training	
5	and Recruiting Fund), payable from the Federal Trust	
6	Fund.....	251,715,000
7	Schedule:	
8	(1) 20.60.280-Improving Teacher Quality	
9	Local Grants.....	240,206,000
10	(2) 20.60.190.300-California Subject Matter	
11	Projects.....	3,791,000
12	(3) 20.60.300-Improving Teacher Quality	
13	Higher Education Grants.....	6,618,000
14	(4) 20.60.301-Improving Teacher Quality	
15	State-Level Activities.....	500,000
16	(5) 20.60.302-Improving Teacher Quality	
17	State-Local Activities (Administrator	
18	Induction).....	600,000
19	Provisions:	
20	1. The funds appropriated in Schedule (2) shall be	
21	transferred to the University of California, which shall	
22	use the funds for the Subject Matter Projects pursuant	
23	to Article 1 (commencing with Section 99200) of	
24	Chapter 5 of Part 65 of Division 14 of Title 3 of the	
25	Education Code.	
26	2. The funds appropriated in Schedule (3) shall be for	
27	local assistance activities for the Improving Teacher	
28	Quality Higher Education grants, funded through the	
29	federal No Child Left Behind Act of 2001 (P.L. 107-	
30	110).	
31	3. The funds appropriated in Schedule (4) shall be re-	
32	served for the professional development of private	
33	school teachers and administrators as required by Title	
34	II of the federal Elementary and Secondary Education	
35	Act (20 U.S.C. Sec. 6601 et seq.).	
36	4. Of the funds appropriated in Schedule (2), \$118,000	
37	is provided in one-time carryover for transfer to the	
38	University of California and shall be used for the	
39	Subject Matter Projects. None of these funds shall be	
40	used for additional indirect administrative costs.	

5. Of the funds appropriated in Schedule (2), \$106,000 is provided in one-time carryover for transfer to the University of California and shall be used for the Subject Matter Projects. None of these funds shall be used for additional indirect administrative costs.
6. Of the funds appropriated in Schedule (3), \$271,000 is provided in one-time carryover for the Improving Teacher Quality Higher Education Grants. None of these funds shall be used for additional indirect administrative costs.
7. Of the funds appropriated in Schedule (5), \$600,000 is provided in one-time carryover funds for transfer to the Commission on Teacher Credentialing for purposes of Administrator Induction Programs that are approved by the Commission on Teacher Credentialing. None of these funds shall be used by the Department of Education for indirect administrative costs.

~~SEC. 14.~~

SEC. 16. Item 6110-196-0001 of Section 2.00 of the Budget Act of 2014 is amended to read:

6110-196-0001—For local assistance, Department of Education (Proposition 98), for transfer by the Controller to Section A of the State School Fund, for allocation by the Superintendent of Public Instruction to school districts, county offices of education, and other agencies for the purposes of part-day state preschool programs pursuant to Article 7 (commencing with Section 8235) of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code funded in this item, in lieu of the amount that otherwise would be appropriated pursuant to any other statute..... 654,450,000

Schedule:

- (1) 30.10.010-Special Program, Child Development, Preschool Education..... 579,450,000
- (1.1) 30.10.011-Special Program, Child Development, Quality Rating Improvement System Grants..... 50,000,000
- (1.2) 30.10.012-Special Program, Child Development, Preschool Quality..... 25,000,000

Provisions:

2. Nonfederal funds appropriated in this item which have been budgeted to meet the state's Temporary Assistance for Needy Families maintenance-of-effort requirement established pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) may not be expended in any way that would cause their disqualification as a federally allowable maintenance-of-effort expenditure.
3. The amount provided in Schedule (1) reflects an adjustment to the base funding of 0.49 percent for an increase in the population of 0–4 year-olds.
4. The maximum standard reimbursement rate shall not exceed \$22.28 per day for state preschool programs.
5. Of the amount appropriated in Schedule (1), up to \$5,000,000 is available for the family literacy supplemental grant provided to California state preschool programs pursuant to Section 8238.4 of the Education Code.
6. The amount provided in Schedule (1.1) is available for Quality Rating and Improvement System grants provided to state preschool programs pursuant to Section 8203.1 of the Education Code.
7. The amount provided in Schedule (1.2) is available for professional development and stipends for teacher education for transitional kindergarten and state preschool teachers. Priority for teacher education stipends is for transitional kindergarten teachers. Notwithstanding any other provision of law, the funds appropriated in this schedule shall be available for encumbrance until June 30, 2017.
8. Of the amount provided in schedule (1), \$1,000,000 is available to provide 4,000 slots for part-day state preschool, beginning June 15, 2015.

~~SEC. 15.~~

SEC. 17. Item 6110-488 of Section 2.00 of the Budget Act of 2014 is amended to read:

6110-488—Reappropriation, Department of Education.

Notwithstanding any other provision of law, the balances from the following items are available for reappropriation for the purposes specified in Provisions 1 to 6:

0001—General Fund

- (1) \$1,853,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Charter School Facility Grant Program in Item 6110-220-0001 pursuant to Section 5 of Chapter 3 of the 2009–10 Fourth Extraordinary Session, as amended by Chapter 31 of the 2009–10 Third Extraordinary Session.
- (2) \$283,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Assessment Review and Reporting in Schedule (1) of Item 6110-113-0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011).
- (3) \$208,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Educational Services for Foster Youth in Item 6110-119-0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011).
- (4) \$20,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Economic Impact Aid in Item 6110-128-0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011).
- (5) \$12,524,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Special Education Programs for Exceptional Children in Schedule (1) of Item 6110-161-0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011).
- (6) \$1,396,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for California Partnership Academies in Schedule (1) of Item 6110-166-0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011).
- (7) \$31,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Agricultural Career Technical Education Incentive

- 1 Program in Item 6110-167-0001 of the Budget Act of
2 2011 (Ch. 33, Stats. 2011).
- 3 (8) \$1,072,000 or whatever greater or lesser amount of
4 the unexpended balance of the amount appropriated
5 for child nutrition programs in Schedule (1) of Item
6 6110-203-0001 of the Budget Act of 2011 (Ch. 33,
7 Stats. 2011).
- 8 (9) \$3,161,000 or whatever greater or lesser amount of
9 the unexpended balance of the amount appropriated
10 for the Quality Education Investment Act of 2006 in
11 the 2011–12 fiscal year pursuant to Section 52055.770
12 of the Education Code.
- 13 (10) \$12,000 or whatever greater or lesser amount of the
14 unexpended balance of the amount appropriated for
15 Home to School Transportation in Schedule (1) of
16 Item 6110-111-0001 of the Budget Act of 2012 (Chs.
17 21 and 29, Stats. 2012).
- 18 (11) \$799,000 or whatever greater or lesser amount of the
19 unexpended balance of the amount appropriated for
20 the Statewide Testing and Reporting Program in
21 Schedule (2) of Item 6110-113-0001 of the Budget
22 Act of 2012 (Chs. 21 and 29, Stats. 2012).
- 23 (12) \$243,000 or whatever greater or lesser amount of the
24 unexpended balance of the amount appropriated for
25 the English Language Development Assessment in
26 Schedule (3) of Item 6110-113-0001 of the Budget
27 Act of 2012 (Chs. 21 and 29, Stats. 2012).
- 28 (13) \$3,250,000 or whatever greater or lesser amount of
29 the unexpended balance of the amount appropriated
30 for Special Education Programs for Exceptional
31 Children in Schedule (1) of Item 6110-161-0001 of
32 the Budget Act of 2012 (Chs. 21 and 29, Stats. 2012).
- 33 (13.5) \$31,000 or whatever greater or lesser amount of the
34 unexpended balance of the amount appropriated for
35 the Child Nutrition School Breakfast and Summer
36 Food Service Program in Item 6110-201-0001 of
37 the Budget Act of 2012 (Chs. 21 and 29, Stats.
38 2012).
- 39 (14) \$6,600,000 or whatever greater or lesser amount of
40 the unexpended balance of the amount appropriated

- 1 for child nutrition programs in Schedule (1) of Item
2 6110-203-0001 of the Budget Act of 2012 (Chs. 21
3 and 29, Stats. 2012).
- 4 (15) \$213,000 or whatever greater or lesser amount of the
5 unexpended balance of the amount appropriated for
6 the California High School Exit Examination assis-
7 tance program in Item 6110-204-0001 of the Budget
8 Act of 2012 (Chs. 21 and 29, Stats. 2012).
- 9 (16) \$4,000,000 or whatever greater or lesser amount of
10 the unexpended balance of the amount appropriated
11 for Instructional Support: Economic Impact Aid for
12 Charter Schools in Schedule (2) of Item 6110-211-
13 0001 of the Budget Act of 2012 (Chs. 21 and 29, Stats.
14 2012).
- 15 (17) \$2,673,000 or whatever greater or lesser amount of
16 the unexpended balance of the amount appropriated
17 for Categorical Programs for New Schools in Item
18 6110-212-0001 of the Budget Act of 2012 (Chs. 21
19 and 29, Stats. 2012).
- 20 (18) \$36,000 or whatever greater or lesser amount of the
21 unexpended balance of the amount appropriated for
22 Arts and Music Block Grant in Item 6110-265-0001
23 of the Budget Act of 2012 (Chs. 21 and 29, Stats.
24 2012).
- 25 (19) \$22,895,000 or whatever greater or lesser amount of
26 the unexpended balance of the amount appropriated
27 for Program 98-K-12 Mandated Programs Block
28 Grant in Item 6110-296-0001 of the Budget Act of
29 2012 (Chs. 21 and 29, Stats. 2012).
- 30 (20) \$1,090,000 or whatever greater or lesser amount of
31 the unexpended balance of the amount appropriated
32 for Supplemental Instruction, Remedial, Grades 7-12
33 for the purposes of Section 37252 of the Education
34 Code in Schedule (1) of Item 6110-104-0001 of the
35 Budget Act of 2011 (Ch. 33, Stats. 2011), as amended
36 by Section 50 of Chapter 7 of the Statutes of 2011.
- 37 (21) \$84,000 or whatever greater or lesser amount of the
38 unexpended balance of the amount appropriated for
39 Supplemental Instruction, Retained, or Recommended
40 for Retention, Grades 2-9, for the purposes of Section

- 1 37252.2 of the Education Code in Schedule (2) of
2 Item 6110-104-0001 of the Budget Act of 2011 (Ch.
3 33, Stats. 2011), as amended by Section 50 of Chapter
4 7 of the Statutes of 2011.
- 5 (22) \$15,000 or whatever greater or lesser amount of the
6 unexpended balance of the amount appropriated for
7 Supplemental Instruction, Low STAR, Grades 2–6,
8 for the purposes of Section 37252.8 of the Education
9 Code in Schedule (3) of Item 6110-104-0001 of the
10 Budget Act of 2011 (Ch. 33, Stats. 2011), as amended
11 by Section 50 of Chapter 7 of the Statutes of 2011.
- 12 (23) \$64,000 or whatever greater or lesser amount of the
13 unexpended balance of the amount appropriated for
14 Supplemental Instruction, Core Academic K–12 for
15 the purposes of Section 37253 of the Education Code
16 in Schedule (4) of Item 6110-104-0001 of the Budget
17 Act of 2011 (Ch. 33, Stats. 2011), as amended by
18 Section 50 of Chapter 7 of the Statutes of 2011.
- 19 (24) \$9,169,000 or whatever greater or lesser amount of
20 the unexpended balance of the amount appropriated
21 for Preschool Education and Child Care Services in
22 Schedule (1) of Item 6110-196-0001 of the Budget
23 Act of 2011 (Ch. 33, Stats. 2011).
- 24 (25) \$12,011,000 or whatever greater or lesser amount of
25 the unexpended balance of the amount appropriated
26 for the After School Education and Safety Program
27 in the 2011–12 fiscal year pursuant to Section 8384.5
28 of the Education Code.
- 29 (26) \$9,531,000 or whatever greater or lesser amount of
30 the unexpended balance of the amount appropriated
31 for the After School Education and Safety Program
32 in the 2012–13 fiscal year pursuant to Section 8384.5
33 of the Education Code.
- 34 (27) \$100,000 or whatever greater or lesser amount of the
35 unexpended balance of the amount appropriated for
36 the Golden State Merit Diploma in Item 6110-679-
37 0001 pursuant to Section 47 of Chapter 204 of the
38 Statutes of 1996.
- 39 (28) \$45,757,000 or whatever greater or lesser amount of
40 the unexpended balance of the amount appropriated

1 for the Quality Education Investment Act of 2006 in
2 the 2012–13 fiscal year pursuant to Section 52055.780
3 of the Education Code.

4 (29) \$328,000 or whatever greater or lesser amount of the
5 unexpended balance of the amount appropriated for
6 Home to School Transportation, Small School District
7 Bus Replacement in Schedule (2) of Item 6110-111-
8 0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011).

9 (30) \$1,893,000 or whatever greater or lesser amount of
10 the unexpended balance of the amount appropriated
11 for Adults in Correctional Facilities in Item 6110-158-
12 0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011).

13 (31) \$100,000 or whatever greater or lesser amount of the
14 unexpended balance of the amount appropriated for
15 the Early Education Program for Individuals with
16 Exceptional Needs in Schedule (2) of Item 6110-161-
17 0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011).

18 (32) \$217,000 or whatever greater or lesser amount of the
19 unexpended balance of the amount appropriated for
20 “Clean” Technology Partnership Academies in
21 Schedule (2.5) of Item 6110-166-0001 of the Budget
22 Act of 2011 (Ch. 33, Stats. 2011).

23 (33) \$48,000 or whatever greater or lesser amount of the
24 unexpended balance of the amount appropriated for
25 Categorical Programs for New Schools in Item 6110-
26 212-0001 of the Budget Act of 2011 (Ch. 33, Stats.
27 2011).

28 (34) \$36,000 or whatever greater or lesser amount of the
29 unexpended balance of the amount appropriated for
30 Educational Services for Foster Youth in Item 6110-
31 119-0001 of the Budget Act of 2012 (Chs. 21 and 29,
32 Stats. 2012).

33 (35) \$13,000 or whatever greater or lesser amount of the
34 unexpended balance of the amount appropriated for
35 Assessment Review and Reporting in Schedule (1) of
36 Item 6110-113-0001 of the Budget Act of 2013 (Chs.
37 20 and 354, Stats. 2013).

38 (36) \$722,000 or whatever greater or lesser amount of the
39 unexpended balance of the amount appropriated for
40 Special Education Programs for Exceptional Children

- 1 in Schedule (1) of Item 6110-161-0001 of the Budget
2 Act of 2013 (Chs. 20 and 354, Stats. 2013).
- 3 (37) \$1,148,000 or whatever greater or lesser amount of
4 the unexpended balance of the amount appropriated
5 for Supplemental Instruction, Remedial, Grades 7–12
6 for the purposes of Section 37252 of the Education
7 Code in Schedule (1) of Item 6110-104-0001 of the
8 Budget Act of 2012 (Chs. 21 and 29, Stats. 2012), as
9 amended by Section 92 of Chapter 38 of the Statutes
10 of 2012.
- 11 (38) \$95,000 or whatever greater or lesser amount of the
12 unexpended balance of the amount appropriated for
13 Supplemental Instruction, Retained, or Recommended
14 for Retention, Grades 2–9, for the purposes of Section
15 37252.2 of the Education Code in Schedule (2) of
16 Item 6110-104-0001 of the Budget Act of 2012 (Chs.
17 21 and 29, Stats. 2012), as amended by Section 92 of
18 Chapter 38 of the Statutes of 2012.
- 19 (39) \$18,000 or whatever greater or lesser amount of the
20 unexpended balance of the amount appropriated for
21 Supplemental Instruction, Low STAR, Grades 2–6,
22 for the purposes of Section 37252.8 of the Education
23 Code in Schedule (3) of Item 6110-104-0001 of the
24 Budget Act of 2012 (Chs. 21 and 29, Stats. 2012), as
25 amended by Section 92 of Chapter 38 of the Statutes
26 of 2012.
- 27 (40) \$73,000 or whatever greater or lesser amount of the
28 unexpended balance of the amount appropriated for
29 Supplemental Instruction, Core Academic K–12, for
30 the purposes of Section 37253 of the Education Code
31 in Schedule (4) of Item 6110-104-0001 of the Budget
32 Act of 2012 (Chs. 21 and 29, Stats. 2012), as amended
33 by Section 92 of Chapter 38 of the Statutes of 2012.
- 34 (41) \$6,600,000 or whatever greater or lesser amount of
35 the unexpended balance of the amount appropriated
36 for Child Development, Preschool Education in
37 Schedule (1) of Item 6110-196-0001 of the Budget
38 Act of 2012 (Chs. 21 and 29, Stats. 2012).
- 39 (42) \$974,000 or whatever greater or lesser amount of the
40 unexpended balance of the amount appropriated for

1 the After School Education and Safety Program in the
2 2013–14 fiscal year pursuant to Section 8483.5 of the
3 Education Code.

4 (43) \$38,000 or whatever greater or lesser amount of the
5 unexpended balance of the amount appropriated for
6 child nutrition programs in Item 6110-201-0001 of
7 the Budget Act of 2011 (Ch. 33, Stats. 2011).

8 (44) \$8,991,000 or whatever greater or lesser amount of
9 the unexpended balance of the amount appropriated
10 for special education in Schedule (3) of Item 6110-
11 485 of the Budget Act of 2011 (Ch. 33, Stats. 2011),
12 as amended by Section 7 of Chapter 575 of the
13 Statutes of 2012.

14 (45) \$3,000,000 or whatever greater or lesser amount of
15 the unexpended balance of the amount appropriated
16 for Adults in Correctional Facilities in Item 6110-158-
17 0001 of the Budget Act of 2012 (Chs. 21 and 29, Stats.
18 2012).

19 (46) \$184,000 or whatever greater or lesser amount of the
20 unexpended balance of the amount appropriated for
21 adult education in Schedule (1) of Item 6110-156-
22 0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011),
23 as amended by Section 50 of Chapter 7 of the Statutes
24 of 2011.

25 (47) \$41,000 or whatever greater or lesser amount of the
26 unexpended balance of the amount appropriated for
27 Specialized Secondary Programs in Item 6110-122-
28 0001 of the Budget Act of 2013 (Chs. 20 and 354,
29 Stats. 2013).

30 (48) \$10,225,000 or whatever greater or lesser amount of
31 the unexpended balance of the amount appropriated
32 for K–12 Mandated Programs Block Grant in Item
33 6110-296-0001 of the Budget Act of 2013 (Chs. 20
34 and 354, Stats. 2013).

35 (49) \$82,656,000 or whatever greater or lesser amount of
36 the unexpended balance of the amount appropriated
37 for the Quality Education Investment Act of 2006 in
38 the 2013–14 fiscal year pursuant to Section 52055.780
39 of the Education Code.

(50) \$73,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for adult education in Schedule (1) of Item 6110-156-0001 of the Budget Act of 2012 (Chs. 21 and 29, Stats. 2012), as amended by Section 92 of Chapter 38 of the Statutes of 2012.

Provisions:

1. The sum of \$5,546,000 is hereby reappropriated to the State Department of Education for transfer by the Controller to Section A of the State School Fund for allocation by the Superintendent of Public Instruction to support California School Information Services activities authorized pursuant to Schedule (1) of Item 6110-140-0001.
2. The sum of \$827,000 is hereby reappropriated to the State Department of Education for transfer by the Controller to Section A of the State School Fund for allocation by the Superintendent of Public Instruction to local educational agencies for activities authorized pursuant to Schedule (2) of Item 6110-140-0001.
3. The sum of \$15,096,000 is hereby reappropriated to the State Department of Education for transfer by the Controller to Section A of the State School Fund for allocation by the Superintendent of Public Instruction for apportionment to reimburse the 2013–14 Adults in Correctional Facilities Program activities authorized pursuant to Item 6110-158-0001 of the Budget Act of 2012 (Chs. 21 and 29, Stats. 2012). Of the amount appropriated in this provision, \$129,000 is to reflect a cost-of-living adjustment.
4. The sum of \$82,195,000 to the School Facilities Program for the purpose of funding the School Facilities Emergency Repair Account pursuant to Chapter 899 of the Statutes of 2004.
7. The sum of \$113,351,000 is hereby reappropriated to the State Department of Education for transfer by the Controller to Section A of the State School Fund for allocation by the Superintendent of Public Instruction to school districts, county offices of education, and charter schools in proportion to their average daily

attendance reported as of the second principal apportionment for the 2013–14 fiscal year, for the purposes specified in subdivisions (c) and (d) of Section 17581.8 of the Government Code, and in augmentation of the funds provided in subdivision (a) of Section 17581.8 of the Government Code.

8. The sum of \$12,890,000 is hereby reappropriated to the State Department of Education for transfer by the Controller to Section A of the State School Fund for allocation by the Superintendent of Public Instruction for apportionment for special education programs pursuant to Part 30 (commencing with Section 56000) of Division 4 of Title 2 of the Education Code.
9. The sum of \$26,689,000 is hereby reappropriated to the State Department of Education for transfer by the Controller to Section A of the State School Fund for allocation by the Superintendent of Public Instruction to the K-12 High-Speed Network for the activities authorized pursuant to provisional language in Item 6110-182-0001.

~~SEC. 16.~~

SEC. 18. Item 6440-001-0001 of Section 2.00 of the Budget Act of 2014 is amended to read:

6440-001-0001—For support of University of California..... 2,985,671,000
Schedule:
(1) Support..... 2,985,671,000
Provisions:
1. This appropriation is exempt from Sections 6.00 and 31.00.
2. (a) The Regents of the University of California shall approve a plan that includes at least all of the following:
(1) Projections of available resources in the 2015–16, 2016–17, and 2017–18 fiscal years. In projecting General Fund appropriations and student tuition and fee revenues, the university shall use any assumptions provided by the Department of Finance. The Depart-

ment of Finance shall provide any assumptions no later than August 1, 2014.

(2) Projections of expenditures in the 2015–16, 2016–17, and 2017–18 fiscal years and descriptions of any changes to current operations necessary to ensure that expenditures in each of those years are not greater than the available resources projected for each of those years pursuant to paragraph (1).

(3) Projections of resident and non-resident enrollment in the 2015–16, 2016–17, and 2017–18 academic years, assuming implementation of any changes described in paragraph (2).

(4) The university’s goals for each of the performance measures listed in subdivision (b) of Section 92675 of the Education Code for the 2015–16, 2016–17, and 2017–18 academic years, assuming implementation of any changes described in paragraph (2). It is the intent of the Legislature that these goals be challenging and quantifiable, address achievement gaps for underrepresented populations, and align the educational attainment of California’s adult population to the workforce and economic needs of the state, pursuant to the legislative intent expressed in Section 66010.93 of the Education Code.

(b) The plan approved pursuant to subdivision (a) shall be submitted, no later than November 30, 2014, to the Director of Finance, the chairpersons of the committees in each house of the Legislature that consider the State Budget, the chairpersons of the budget subcommittees in each house of the Legislature that consider the budget for the University of California, the chairpersons of the committees in each house of the Legislature that consider appropriations, and the chairpersons of the policy committees in each house of the Legislature with jurisdiction over bills relating to the

1 university. The plan shall adhere to the goals in-
2 cluded in Section 66010.91 of the Education
3 Code.

4 2.5. Of the funds appropriated in this item:

5 (a) \$4,000,000 shall be used for the centers for labor
6 research and education at the Berkeley and Los
7 Angeles campuses. Of this amount, \$2,000,000
8 is one-time funding.

9 (b) \$2,000,000 is one-time funding and shall be used
10 for the California Blueprint for Research to Ad-
11 vance Innovations in Neuroscience Act of 2014.

12 (c) \$770,000 shall be used for the Statewide
13 Database.

14 3. (a) The University of California shall allocate from
15 this appropriation the amount necessary to pay in
16 full the fees anticipated to become due and
17 payable during the fiscal year associated with
18 lease-revenue bonds issued by the State Public
19 Works Board on its behalf that have been defeased
20 and the amount of general obligation bond debt
21 service attributable to the university.

22 (b) The Controller shall transfer funds from this ap-
23 propriation upon receipt of the following reports:

24 (1) The State Public Works Board shall report
25 to the Controller the fees anticipated to be-
26 come due and payable in the fiscal year asso-
27 ciated with lease-revenue bonds that were
28 issued on behalf of the university that have
29 been defeased.

30 (2) The Department of Finance shall report to
31 the Controller the amount of general obliga-
32 tion bond debt service anticipated to become
33 due and payable in the fiscal year attributable
34 to the university.

35 (3) The State Public Works Board or the Depart-
36 ment of Finance shall submit a revised report
37 if either entity determines that an amount
38 previously reported to the Controller is inac-
39 curate based on revised estimates or actual
40 amounts. If necessary pursuant to any revised

reports, the Controller shall return funds to this appropriation. Any returned funds that were previously transferred pursuant to this subdivision shall be available for expenditure until June 30, 2016.

4. Payments made by the state to the University of California for each month from July through April shall not exceed one-twelfth of the amount appropriated in this item, less the amount that is allocated pursuant to subdivision (a) of Provision 3. Transfers of funds pursuant to subdivision (b) of Provision 3 shall not be considered payments made by the state to the university.
5. The funds appropriated in this item shall not be available to support auxiliary enterprises or intercollegiate athletic programs.
6. Of the funds appropriated in this item, \$50,000,000 is available for one-time purposes, including deferred maintenance. The amount allocated pursuant to this provision shall be available for encumbrance or expenditure until June 30, 2016. It is the intent of the Legislature that, if the economy continues to recover and General Fund revenues exceed projections, the augmentation provided in this provision shall become ongoing beginning in the 2015–16 fiscal year for the purpose of increasing enrollment of California students and improving student services.

~~SEC. 17.~~

SEC. 19. Item 6610-001-0001 of Section 2.00 of the Budget Act of 2014 is amended to read:

6610-001-0001—For support of California State University.... 2,742,273,000

Schedule:

(1) Support..... 2,742,273,000

Provisions:

1. This appropriation is exempt from Sections 6.00 and 31.00 but is subject to the applicable sections of the Government Code referred to in subdivision (a) of Section 31.00.

- 1 2. (a) The Trustees of the California State University
2 shall approve a plan that includes at least all of
3 the following:
 - 4 (1) Projections of available resources in the
5 2015–16, 2016–17, and 2017–18 fiscal years.
6 In projecting General Fund appropriations
7 and student tuition and fee revenues, the
8 university shall use any assumptions provided
9 by the Department of Finance. The Depart-
10 ment of Finance shall provide any assump-
11 tions no later than August 1, 2014.
 - 12 (2) Projections of expenditures in the 2015–16,
13 2016–17, and 2017–18 fiscal years and de-
14 scriptions of any changes to current opera-
15 tions necessary to ensure that expenditures
16 in each of those years are not greater than the
17 available resources projected for each of
18 those years pursuant to paragraph (1).
 - 19 (3) Projections of resident and non-resident en-
20 rollment in the 2015–16, 2016–17, and
21 2017–18 academic years, assuming implemen-
22 tation of any changes described in paragraph
23 (2). ~~It is the intent of the Legislature that~~
24 ~~these goals be challenging and quantifiable;~~
25 ~~address achievement gaps for underrepresent-~~
26 ~~ed populations, and align the educational at-~~
27 ~~tainment of California's adult population to~~
28 ~~the workforce and economic needs of the~~
29 ~~state, pursuant to the legislative intent ex-~~
30 ~~pressed in Section 66010.93 of the Education~~
31 ~~Code.~~
32 (4) The university's goals for each of the perfor-
33 mance measures listed in subdivision (b) of
34 Section 89295 of the Education Code for the
35 2015–16, 2016–17, and the 2017–18 academ-
36 ic years, assuming implementation of any
37 changes described in paragraph (2). *It is the*
38 *intent of the Legislature that these goals be*
39 *challenging and quantifiable, address*
40 *achievement gaps for underrepresented*

1 *populations, and align the educational attain-*
2 *ment of California's adult population to the*
3 *workforce and economic needs of the state,*
4 *pursuant to the legislative intent expressed*
5 *in Section 66010.93 of the Education Code.*

6 (b) The plan approved pursuant to subdivision (a)
7 shall be submitted, no later than November 30,
8 2014, to the Director of Finance, the chairpersons
9 of the committees in each house of the Legislature
10 that consider the State Budget, the chairpersons
11 of the budget subcommittees in each house of the
12 Legislature that consider the budget for the Cali-
13 fornia State University, the chairpersons of the
14 committees in each house of the Legislature that
15 consider appropriations, and the chairpersons of
16 the policy committees in each house of the Legis-
17 lature with jurisdiction over bills relating to the
18 university. The plan shall adhere to the goals in-
19 cluded in Section 66010.91 of the Education
20 Code.

21 3. (a) The California State University shall allocate from
22 this appropriation the amount necessary to pay in
23 full all amounts anticipated to become due and
24 payable during the fiscal year for rental, fees, and
25 insurance associated with lease-revenue bonds
26 issued by the State Public Works Board on its
27 behalf and general obligation bond debt service
28 attributable to the University.

29 (b) The Controller shall transfer funds from this ap-
30 propriation upon receipt of the following reports:

31 (1) The State Public Works Board shall report
32 to the Controller the rental, fees, and insur-
33 ance anticipated to become due and payable
34 in the fiscal year associated with its lease-
35 revenue bonds issued on behalf of the Univer-
36 sity.

37 (2) The Department of Finance shall report to
38 the Controller the amount of general obliga-
39 tion bond debt service anticipated to become

1 due and payable in the fiscal year attributable
2 to the University.

3 (3) The State Public Works Board or the Depart-
4 ment of Finance shall submit a revised report
5 if either entity determines that an amount
6 previously reported to the Controller is inac-
7 curate based on revised estimates or actual
8 amounts. If necessary pursuant to any revised
9 reports, the Controller shall return funds to
10 this appropriation. Any returned funds that
11 were previously transferred pursuant to this
12 subdivision shall be available for expenditure
13 until June 30, 2016.

14 4. Payments made by the state to the California State
15 University for each month from July through April
16 shall not exceed one-twelfth of the amount appropriat-
17 ed in this item, less the amount that is allocated pur-
18 suant to subdivision (a) of Provision 3. Transfers of
19 funds pursuant to subdivision (b) of Provision 3 shall
20 not be considered payments made by the state to the
21 University.

22 5. Contributions to the Public Employees' Retirement
23 Fund are charged to this appropriation pursuant to
24 Section 20822 of the Government Code.

25 6. The Director of Finance has the authority to adjust this
26 appropriation pursuant to Section 3.60, as well as
27 Section 89762 of the Education Code.

28 7. Of the funds appropriated in this item, \$50,000,000 is
29 available for one-time purposes, including deferred
30 maintenance. The amount allocated pursuant to this
31 provision shall be available for encumbrance or expen-
32 diture until June 30, 2016. It is the intent of the Legis-
33 lature that, if the economy continues to recover and
34 General Fund revenues exceed projections, the aug-
35 mentation provided in this provision shall become on-
36 going beginning in the 2015–16 fiscal year for the
37 purpose of increasing enrollment of California students
38 and improving student services.
39

~~SEC. 18.~~

SEC. 20. Item 6870-101-0001 of Section 2.00 of the Budget Act of 2014 is amended to read:

6870-101-0001—For local assistance, Board of Governors of the California Community Colleges (Proposition 98)..... 3,130,232,000

Schedule:

(1) 10.10.010-Appportionments.....	2,059,128,000
(3) 10.10.020-Apprenticeship.....	7,174,000
(3.5) 10.10.021-Apprenticeship Training and Instruction.....	15,694,000
(4) 10.10.030-Growth for Appportionments.....	140,385,000
(5) 20.10.004-Student Success for Basic Skills Students.....	20,037,000
(6) 20.10.005-Student Financial Aid Administration.....	69,421,000
(7) 20.10.020-Disabled Students.....	114,223,000
(8) 20.10.045-Special Services for CalWORKs Recipients.....	34,545,000
(9) 20.10.060-Foster Care Education Program.....	5,254,000
(10) 20.10.070-Matriculation.....	271,683,000
(11) 20.20.020-Academic Senate for the Community Colleges.....	468,000
(12) 20.20.041-Equal Employment Opportunity pursuant to Chapter 1169, Statutes 2002.....	767,000
(13) 20.20.050-Part-time Faculty Health Insurance.....	490,000
(14) 20.20.051-Part-time Faculty Compensation.....	24,907,000
(15) 20.20.055-Part-time Faculty Office Hours.....	3,514,000
(16) 20.30.011-Telecommunications and Technology Services.....	21,790,000
(17) 20.30.050-Economic Development.....	72,929,000
(18) 20.30.070-Transfer Education and Articulation.....	698,000

1	(19) 20.40.026-Physical Plant and Instruc-	
2	tional Support.....	148,000,000
3	(20) 20.10.010-Extended Opportunity Pro-	
4	grams and Services and Special Ser-	
5	vices.....	88,605,000
6	(21) 20.30.045-Fund for Student Success....	3,792,000
7	(23) 20.80.010-Campus Child Care Tax	
8	Bailout.....	3,350,000
9	(24) 20.95.010-Nursing Program Support....	13,378,000
10	(25) 10.10.025-Adult Education.....	0
11	(26) 10.10.050-Expanding the Delivery of	
12	Courses through Technology.....	10,000,000
13	Provisions:	
14	1. The funds appropriated in this item are for transfer by	
15	the Controller during the 2014–15 fiscal year to Sec-	
16	tion B of the State School Fund.	
17	2. The funds appropriated in Schedule (1) for apportion-	
18	ments include \$31,409,000 to encourage district-level	
19	accountability efforts pursuant to Section 84754.5 of	
20	the Education Code. It is intended that the Office of	
21	the Chancellor of the California Community Colleges	
22	submit an annual report on district-specific account-	
23	ability measures by March 31 of each year. This report	
24	shall reflect the outcomes from the most recently	
25	completed fiscal year for which data is available pur-	
26	suant to Section 84754.5 of the Education Code.	
27	3. Notwithstanding any other provision of law, apportion-	
28	ment funding for community college districts shall be	
29	based on the greater of the current year or prior year	
30	level of full-time equivalent students (FTES), consis-	
31	tent with K–12 declining enrollment practices pursuant	
32	to Section 42238.5 of the Education Code. Decreases	
33	in FTES shall result in a revenue reduction at the dis-	
34	trict’s average level of apportionment funding per	
35	FTES and shall be made in the year following the ini-	
36	tial year of decrease in FTES.	
37	4. Of the funds appropriated in Schedule (1), Apportion-	
38	ments:	

- 1 (a) Up to \$100,000 is for a maintenance allowance,
2 pursuant to Section 54200 of Title 5 of the Cali-
3 fornia Code of Regulations.
- 4 (b) Up to \$500,000 is to reimburse colleges for the
5 costs of federal aid repayments related to assessed
6 fees for fee waiver recipients. This reimbursement
7 only applies to students who completely withdraw
8 from college before the census date pursuant to
9 Section 58508 of Title 5 of the California Code
10 of Regulations.
- 11 5. Notwithstanding any other provision of law, the
12 Chancellor of the California Community Colleges
13 shall not reduce district workload obligations for a
14 lack of a funded cost-of-living adjustment.
- 15 6. (a) The amount appropriated in Schedule (3) for the
16 Apprenticeship Program shall be available as
17 necessary upon certification by the Chancellor of
18 the California Community Colleges for the pur-
19 pose of funding community college-related and
20 supplemental instruction pursuant to Section 3074
21 of the Labor Code, as provided in Article 3
22 (commencing with Section 79140) of Chapter 9
23 of Part 48 of Division 7 of Title 3 of the Education
24 Code. No community college district shall use
25 funds available under this provision to offer any
26 new apprenticeship training program or the expan-
27 sion of any existing program unless the new pro-
28 gram or expansion has been approved by the
29 chancellor.
- 30 (b) Notwithstanding Article 3 (commencing with
31 Section 79140) of Chapter 9 of Part 48 of Division
32 7 of Title 3 of the Education Code, each 60-
33 minute hour of teaching time devoted to each in-
34 dentured apprentice enrolled in and attending
35 classes of related and supplemental instruction as
36 provided under Section 3074 of the Labor Code
37 shall be reimbursed at the rate of \$5.04 per hour.
38 For purposes of this provision, each hour of
39 teaching time may include up to 10 minutes for
40 passing time and breaks.

- 1 7. Funds appropriated in Schedule (4), Growth for Ap-
2 portionments, shall be available first to any districts
3 bringing online newly accredited colleges or education-
4 al centers. It is the intent of the Legislature that increas-
5 es in basic foundation allocations to each college be
6 funded prior to additional growth in full-time equiva-
7 lent students. The Chancellor of the California Com-
8 munity Colleges shall provide a report by November
9 1 of each year, to the Department of Finance and the
10 Legislative Analyst, on the number of new centers and
11 colleges added for the current fiscal year and those
12 anticipated to be added for the prospective budget
13 year. This report shall also detail the specific funding
14 adjustments provided for basic foundation allocations
15 to each college and center for the current fiscal year.
- 16 8. (a) Notwithstanding any other provision of law, funds
17 appropriated in Schedule (4), Growth for Appor-
18 tionments, shall only be allocated for growth in
19 full-time equivalent students (FTES), on a district-
20 by-district basis, as determined by the Chancellor
21 of the California Community Colleges. The
22 chancellor shall not include any FTES from con-
23 current enrollment in physical education, dance,
24 recreation, study skills, and personal development
25 courses and other courses in conflict with existing
26 law for the purpose of calculating a district's
27 three-year overcap adjustment.
- 28 (b) The Board of Governors of the California Com-
29 munity Colleges shall adopt criteria and an alloca-
30 tion formula for the funds appropriated in Sched-
31 ule (4), Growth for Apportionments, so as to en-
32 sure that access to courses in the California
33 Community Colleges' missions related to student
34 needs for transfer, basic skills and vocational/work-
35 force training are aligned to regional and commu-
36 nity needs to the maximum extent possible. When
37 formulating the allocation, the board of governors
38 shall consider, at minimum, the priorities as out-
39 lined in Section 84750.5 of the Education Code.

- 1 9. The funds appropriated in Schedule (5), Student Suc-
2 cess for Basic Skills Students, shall be allocated as
3 follows:
- 4 (a) \$969,000 for faculty and staff development to
5 improve curriculum, instruction, student services,
6 and program practices in the areas of basic skills
7 and English as a Second Language (ESL) pro-
8 grams. The Office of the Chancellor of the Cali-
9 fornia Community Colleges shall select a district,
10 utilizing a competitive process, to carry out these
11 faculty and staff development activities. All col-
12 leges receiving funds pursuant to subdivision (b)
13 shall be provided with the opportunity to partici-
14 pate in the faculty and staff development programs
15 specified in this subdivision. The chancellor shall
16 report on the use of these funds by the selected
17 district to the Legislative Analyst and the Depart-
18 ment of Finance not later than September 1 of
19 each year.
- 20 (b) \$19,068,000 for allocation by the chancellor to
21 community college districts for improving out-
22 comes of students who enter college needing at
23 least one course in ESL or basic skills, with par-
24 ticular emphasis on students transitioning from
25 high school.
- 26 (c) Funding specified in subdivisions (a) and (b) shall
27 be distributed to eligible applicants pursuant to
28 Chapter 489 of the Statutes of 2007.
- 29 (d) The Office of the Chancellor of the California
30 Community Colleges shall work jointly with the
31 Department of Finance and the Legislative Ana-
32 lyst to evaluate and refine, as necessary, the annu-
33 al accountability measures for this program. It is
34 the intent of the Legislature that annual perfor-
35 mance accountability measures for this program
36 utilize, to the extent possible, data available as
37 part of the accountability system developed pur-
38 suant to Section 84754.5 of the Education Code.
39 By September 1, 2010, the chancellor shall submit
40 a report to the Governor and the Legislature on

1 basic skills accountability using system- and col-
2 lege-level data and an annual report each year
3 thereafter by September 1.

4 10. (a) Of the funds appropriated in Schedule (6) for
5 Student Financial Aid Administration, not less
6 than \$15,363,000 is available to provide \$0.91
7 per unit reimbursement to community college
8 districts for the provision of board of governors
9 (BOG) fee waiver awards pursuant to paragraph
10 (2) of subdivision (m) of Section 76300 of the
11 Education Code.

12 (b) Of the funds appropriated in Schedule (6), not
13 less than \$15,532,000 is available for the Board
14 Financial Assistance Program to provide reim-
15 bursement of 2 percent of total waiver value to
16 community college districts for the provision of
17 BOG fee waiver awards pursuant to paragraph
18 (2) of subdivision (m) of Section 76300 of the
19 Education Code.

20 (c) Funding provided to community college districts
21 in subdivisions (a) and (b) is provided to directly
22 offset any mandated costs claimed by community
23 college districts pursuant to Commission on State
24 Mandates Test Claims 99-TC-13 (Enrollment Fee
25 Collection) and 00-TC-15 (Enrollment Fee
26 Waivers).

27 (d) (1) Of the amount appropriated in Schedule (6),
28 \$2,800,000 shall be for a contract with a
29 community college district to conduct a
30 statewide media campaign to promote the
31 general message to prospective students as
32 follows: (A) the California Community Col-
33 leges (CCC) remain affordable, (B) financial
34 aid tax credits are available to cover enroll-
35 ment fees and help with books and other
36 costs, and (C) the active encouragement of
37 contact between pupils and local CCC finan-
38 cial aid offices. Any funds used from this
39 source to produce radio, television, or mail
40 campaigns must emphasize the availability

1 of financial aid, the easiest and most reliable
2 method of accessing the aid, a contact tele-
3 phone number, an Internet Web site address,
4 where applicable, and the physical location
5 of a financial aid office. Any mail campaign
6 must give priority to existing pupils, recent
7 high school graduates, and 12th graders. The
8 outreach and information campaign should
9 target its efforts in high schools, welfare of-
10 fices, unemployment offices, churches,
11 community centers, and any other location
12 that will most effectively reach low-income
13 and disadvantaged students who must over-
14 come barriers in accessing postsecondary
15 education. The community college district
16 awarded the contract shall consult with the
17 Chancellor of the California Community
18 Colleges and the Student Aid Commission
19 prior to performing any activities to ensure
20 appropriate coordination with any other state
21 efforts in this area and ensure compliance
22 with this provision.

- 23 (2) Of the amount appropriated in Schedule (6),
24 not more than \$34,200,000 shall be for direct
25 contact with potential and current financial
26 aid applicants. Each CCC campus shall re-
27 ceive a minimum allocation of \$50,000. The
28 remainder of the funding shall be allocated
29 to campuses based upon a formula reflecting
30 full-time equivalent students (FTES)
31 weighted by a measure of low-income popu-
32 lations demonstrated by BOG fee waiver
33 program participation within a district. It is
34 the intent of the Legislature, to the extent that
35 funds are provided in this item, that all cam-
36 puses provide additional staff resources to
37 increase both financial aid participation and
38 student access to low-income and disadvan-
39 tagged students who must overcome barriers
40 in accessing postsecondary education. Funds

may be used for screening current students for possible financial aid eligibility and offering personal assistance to these students in accessing financial aid, providing individual help in multiple languages for families and students in filling out the necessary paperwork to apply for financial aid, and increasing financial aid staff to process additional financial aid forms.

- (3) Funding provided to community college districts in paragraph (2) is provided to offset any mandated costs claimed by community college districts pursuant to the Commission on State Mandates Test Claims 02-TC-28 (Cal Grants) and 02-TC-21 (Tuition Fee Waivers).
- (4) Funds allocated to a community college district for financial aid personnel, outreach determination of financial need, and delivery of student financial aid services shall supplement, and shall not supplant, the level of funds allocated for the administration of student financial aid programs during the 2001–02 or 2006–07 fiscal year, whichever is greater.
- (5) It is the intent of the Legislature that the Office of the Chancellor of the California Community Colleges provide the Legislature with a report not later than April 1 of each year on the use of the funds allocated pursuant to paragraphs (1) and (2), including the distribution of the funds, specific uses of the funds, strategies employed to reach low-income and disadvantaged students potentially eligible for financial aid, and the extent to which districts were successful in increasing the number of students accessing financial aid, particularly the maximum Pell Grant award.

- 1 (6) It is the intent of the Legislature that the
2 chancellor report by May 15 of each year, in
3 the manner and using the factors set forth in
4 paragraph (5) of subdivision (c) of Provision
5 11 of Item 6870-101-0001 of the Budget Act
6 of 2007 (Chs. 171 and 172, Stats. 2007), on
7 the impact of outreach efforts on student
8 headcount and FTES enrollment for the
9 2009–10 and 2010–11 academic years.
- 10 (e) Notwithstanding subdivision (m) of Section 76300
11 of the Education Code or any other provision of
12 law, the amount of funds appropriated for the
13 purpose of administering fee waivers for the
14 2014–15 fiscal year shall be determined in this
15 act.
- 16 11. (a) The funds appropriated in Schedule (7) for the
17 Disabled Students Program are for assisting dis-
18 tricts in funding the excess direct instructional
19 cost of providing special support services or in-
20 struction, or both, to disabled students enrolled at
21 community colleges, and for state hospital pro-
22 grams, as mandated by federal law.
- 23 (b) Of the amount appropriated in Schedule (7), no
24 less than \$3,945,000 shall be used to address de-
25 ficiencies identified by the federal Office for
26 Civil Rights (OCR), as determined by the Office
27 of the Chancellor of the California Community
28 Colleges.
- 29 (c) Of the amount appropriated in Schedule (7), at
30 least \$943,000 shall be used for support of the
31 High Tech Centers for activities including, but
32 not limited to, training of district employees, staff,
33 and students in the use of specialized computer
34 equipment for the disabled. All High Tech Centers
35 shall meet standards developed by the Office of
36 the Chancellor of the California Community
37 Colleges. Colleges that receive these augmenta-
38 tions shall not supplant existing resources provid-
39 ed to the centers.

- 1 (d) Notwithstanding any other provision of law, of
2 the funds appropriated in Schedule (7), \$1,000,000
3 shall be for state hospital adult education pro-
4 grams at the hospitals served by the Coast and
5 Kern Community College Districts since the
6 1986–87 fiscal year. If adult education services
7 at any of the two hospitals are not supported by
8 the community colleges in any portion of the
9 2014–15 fiscal year, remaining funds shall, upon
10 order of the Department of Finance, after 30 days’
11 notice to the Chairperson of the Joint Legislative
12 Budget Committee, be transferred to the State
13 Department of Developmental Services (DDS).
14 For any transfer of funds to DDS during the
15 2014–15 fiscal year, the Proposition 98 base
16 funding levels for community colleges and DDS
17 shall be adjusted accordingly.
- 18 (e) Of the funds appropriated in Schedule (7) for the
19 Disabled Student Services, no less than
20 \$9,600,000 shall be allocated to support high-cost
21 sign language interpreter services and real-time
22 captioning equipment or other communication
23 accommodations for hearing-impaired students
24 based on a 4-to-1 state-to-local district match.
- 25 12. The funds appropriated in Schedule (8), Special Ser-
26 vices for CalWORKs Recipients, are for the purpose
27 of assisting welfare recipient students and those in
28 transition off of welfare to achieve long-term self-
29 sufficiency through coordinated student services of-
30 fered at community colleges, including workstudy,
31 other educational related work experience, job place-
32 ment services, child care services, and coordination
33 with county welfare offices to determine eligibility
34 and availability of services. All services funded in
35 Schedule (8) shall be for current CalWORKs recipients
36 or prior CalWORKs recipients who are in transition
37 off of cash assistance for no more than two years.
38 Current cash-assistance recipients may utilize these
39 services until their initial educational objectives are
40 met. Former recipients in transition off of cash assis-

1 tance may utilize these services for a period of up to
2 two years after leaving cash assistance subject to the
3 conditions of this provision. These funds shall be used
4 to supplement and not supplant existing funds and
5 services provided for CalWORKs recipients attending
6 community colleges. The Chancellor of the California
7 Community Colleges shall develop an equitable
8 method for allocating funds to all districts and colleges
9 based on the relative numbers of CalWORKs recipients
10 in attendance and shall allocate funds for the following
11 purposes:

- 12 (a) Job placement.
- 13 (b) Coordination with county welfare offices and
14 other local agencies, including local workforce
15 investment boards.
- 16 (c) Curriculum development and redesign.
- 17 (d) Child care and workstudy.
- 18 (e) Instruction.
- 19 (f) Postemployment skills training and related skills.
- 20 (g) Campus-based case management, limited to on-
21 campus assistance and services not provided by
22 county case workers that do not supplant other
23 counseling and academic support services funded
24 through existing California Community Colleges
25 categorical programs.

26 Of the amount appropriated in Schedule (8),
27 \$9,188,000 is for child care and does not require a
28 district match. For the remaining funds, districts shall,
29 as a condition of receipt of these funds, provide a \$1
30 match for every \$1 provided by the state.

31 Funds utilized for subsidized child care shall be for
32 children of CalWORKs recipients through campus-
33 based centers or parental choice vouchers at rates and
34 with rules consistent with those applied to related
35 programs operated by the State Department of Educa-
36 tion in the 2014–15 fiscal year, including eligibility,
37 reimbursement rates, and parental contribution
38 schedules. Subsidized campus child care for Cal-
39 WORKs recipients may be provided during the period
40 they are engaged in qualifying state and federal work

activities through attainment of their initial education and training plan and for up to three months thereafter or until the end of the academic year, whichever period of time is greater.

Funds utilized for workstudy shall be used solely for payments to employers that currently participate in campus-based workstudy programs or are providing work experiences that are directly related to and in furtherance of student educational programs and work participation requirements, provided that those payments may not exceed 75 percent of the wage for the workstudy positions, and the employers shall pay at least 25 percent of the wage for the workstudy positions. These funds may be expended only if the total hours of education, employment, and workstudy for the student are sufficient to meet state or federal minimum requirements for qualifying work-related activities.

Funds may be used to provide credit or noncredit classes for CalWORKs students if a district has committed all of its funded full-time equivalent students (FTES) and is unable to offer the additional instructional services to meet the demand for CalWORKs students. This determination shall be based on fall enrollment information. Districts shall submit applications to the office of the chancellor by December 1 of each year. If the chancellor approves the use of funds for direct instructional workload, the Office of the Chancellor shall submit a report to the Department of Finance and the Joint Legislative Budget Committee by February 15 of each year that (a) identifies the enrollment of new CalWORKs students, (b) states whether and why additional classes were needed to accommodate the needs of CalWORKs students, and (c) sets forth an expenditure plan for the balance of funds.

As a condition of receipt of the funds appropriated in Schedule (8), by the fourth week following the end of the semester or quarter term commencing in January 2015, participating community districts and colleges

1 shall submit to the office of the chancellor a report, in
2 the format specified by the chancellor in consultation
3 with the State Department of Social Services, that in-
4 cludes, but is not limited to, the funded components,
5 the number of hours of child care provided, the average
6 monthly enrollment of CalWORKs dependents served
7 in child care, the number of workstudy hours provided,
8 the hourly salaries and type of jobs, the number of
9 students being case managed, the short-term programs
10 available, the student participation rates, and other
11 outcome data. It is intended that, to the extent practi-
12 cable, reporting from colleges utilize data gathered for
13 federal reporting requirements at the state and local
14 level. Further, it is intended that the office of the
15 chancellor compile the information for annual reports
16 to the Legislature, the Governor, the Legislative Ana-
17 lyst, the Department of Finance, and the State Depart-
18 ment of Social Services by February 15 of each year.

19 First priority for expenditures of any funds appropri-
20 ated in Schedule (8) shall be in support of current
21 CalWORKs recipients. However, if caseloads are in-
22 sufficient to fully utilize all of the funding in this
23 schedule in a cost-beneficial way, it is intended that
24 up to \$5,000,000 of the funds subject to local matching
25 requirements may be allocated for providing postem-
26 ployment services to former CalWORKs recipients
27 who have been off of cash assistance for no longer
28 than two years to assist them in upgrading skills, job
29 retention, and advancement. Allowable services in-
30 clude direct instruction that cannot be funded under
31 available growth funding, child care to support atten-
32 dance in these classes consistent with this provision,
33 job development and placement services, and career
34 counseling and assessment activities that cannot be
35 funded through other programs. Child care services
36 may only be provided for periods commensurate with
37 a student's need for postemployment training within
38 the two-year transitional period.

39 Prior to allocation of funds for postemployment
40 services, the chancellor shall first secure the approval

of the Department of Finance for the allocations, complete a cumulative report on the outcomes, activities, and cost-effectiveness of the program no later than February 15 of each year in compliance with the Budget Act of 1998 (Ch. 324, Stats. 1998) and the Budget Act of 1999 (Ch. 50, Stats. 1999) and this act, and shall provide the rationale and justification for the proposed allocation of postemployment services to districts for transitional students.

If a district is unable to fully expend its share of child care funds, it may request that the Office of the Chancellor approve a reallocation to other CalWORKs purposes authorized by this provision, subject to all pertinent limitations and district match required for these purposes under this provision.

Of the funds appropriated in Schedule (8) for the Special Services for CalWORKs Recipients Program, no less than \$4,900,000 is to provide direct workstudy wage reimbursement for students served under this program, and \$613,000 is available for campus job development and placement services.

13. Funds appropriated in Schedule (8) for the Special Services for CalWORKs Recipients Program have been budgeted to meet the state's Temporary Assistance for Needy Families maintenance-of-effort requirement pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) and may not be expended in any way that would cause their disqualification as a federally allowable maintenance-of-effort expenditure.

14. (a) Funds provided in Schedule (9) for the Foster Care Education Program shall be allocated to provide foster and relative/kinship care education and training. Districts shall ensure that education and training required by Sections 1529.1 and 1529.2 of the Health and Safety Code and Section 16003 of the Welfare and Institutions Code receive priority. Districts may use any remaining funds for additional parenting skills training.

- 1 (b) Funds provided in Schedule (9) shall be used for
2 foster parent and relative/kinship care provider
3 education training services consistent with the
4 following criteria:
- 5 (1) The Chancellor of the California Community
6 Colleges shall use these funds exclusively
7 for foster parent and relative/kinship care
8 provider education and training, as specified
9 by the chancellor in consultation with an ad-
10 visory committee that includes foster parents,
11 representatives of statewide foster parent or-
12 ganizations, parent and relative/kinship care
13 providers, and representatives from the State
14 Department of Social Services.
- 15 (2) Acceptance of funds under this program shall
16 constitute agreement by the district to comply
17 with such reporting requirements, guidelines,
18 and other conditions for receipt of funding
19 as the chancellor may establish.
- 20 (3) Each college plan for foster and relative/kin-
21 ship care education programs shall include
22 the provision of training to facilitate the de-
23 velopment of foster family homes, small
24 family homes, and relative/kinship homes to
25 care for no more than six children who have
26 special mental, emotional, developmental, or
27 physical needs.
- 28 (4) The State Department of Social Services shall
29 facilitate the participation of county welfare
30 departments in the foster and relative/kinship
31 care education program.
- 32 15. (a) Funds appropriated in Schedule (10) for the Ma-
33 triculation Program are for the purpose of student
34 matriculation pursuant to Article 1 (commencing
35 with Section 78210) of Chapter 2 of Part 48 of
36 Division 7 of Title 3 of the Education Code.
- 37 (b) Of the amount appropriated in Schedule (10),
38 \$9,381,000 shall be allocated to community col-
39 lege districts on a one-to-one matching funds basis
40 to provide matriculation services, including, but

not limited to, orientation, assessment, and counseling, for students enrolled in designated noncredit classes and programs who may benefit most, as determined by the Chancellor of the California Community Colleges pursuant to Sections 78216 and 78218 of the Education Code.

(c) Of the funds appropriated in Schedule (10), up to \$14,000,000 may be used by the Chancellor of the California Community Colleges for the purpose of procuring or developing E-Transcript, E-Planning, and common assessment tools. Prior to the expenditure of these funds, the Chancellor of the California Community Colleges shall submit a proposed expenditure plan to the Department of Finance and to the Joint Legislative Budget Committee.

(d) (1) Notwithstanding any other provision of law, of the amount appropriated in Schedule (10), \$70,000,000 shall be for the purpose of supporting the activities necessary to successfully implement the activities and goals as detailed in the Student Equity Plans, pursuant to Subchapter 4 (commencing with Section 54220) of Chapter 5 of Division 6 of Title 5 of the California Code of Regulations, in coordination with the Student Success and Support Program plans, pursuant to Section 78216 of the Education Code, and the Student Success Scorecard, pursuant to Section 84754.5 of the Education Code.

(2) The Chancellor of the California Community Colleges shall allocate these funds to districts in a manner that ensures districts with a greater proportion or number of students who are high need, as determined by the Office of the Chancellor, receive greater resources to provide services to these students.

(3) As a condition of receipt of these funds, the districts are required to include in their Student Equity Plan how they will coordinate

- 1 existing student support services in a manner
2 to better serve their high-need student popu-
3 lations. At a minimum, their plan shall
4 demonstrate alignment of services funded
5 through allocations from Schedules (5), (6),
6 (7), (8), (10), (20), and (21).
- 7 (e) (1) Of the amount appropriated in Schedule (10),
8 up to \$2,500,000 may be used by the Chan-
9 cellor of the California Community Colleges
10 for the purpose of providing technical assis-
11 tance to districts that demonstrate low perfor-
12 mance in any area of operations. It is the in-
13 tent of the Legislature that technical assis-
14 tance providers be contracted in a cost-effec-
15 tive manner, that they primarily consist of
16 experts who are current and former employ-
17 ees of the California Community Colleges,
18 and that they provide technical assistance in
19 a manner that is consistent with the vision
20 for the California Community Colleges. Be-
21 ginning in the 2015–16 fiscal year, the
22 Chancellor of the California Community
23 Colleges shall provide a report of prior year
24 use of these funds, including whether they
25 were used in accordance with the aforemen-
26 tioned legislative intent, to the Department
27 of Finance and the Joint Legislative Budget
28 Committee no later than October 1 of each
29 year.
- 30 (2) Technical assistance initiated by the Chancel-
31 lor of the California Community Colleges
32 may be provided at no cost to the district.
33 Technical assistance requested by the district
34 shall require at least a \$1 match for every \$2
35 provided by the state, as determined by the
36 Office of the Chancellor.
- 37 16. The funds in Schedule (14) for the Part-time Faculty
38 Compensation Program shall be allocated solely to
39 increase compensation for part-time faculty from the
40 amounts previously authorized. Funds shall be distribut-

1 ed to districts based on the total actual full-time
2 equivalent students served in the previous fiscal year
3 and include a small district factor as determined by
4 the Chancellor of the California Community Colleges.
5 These funds are to be used to assist districts in making
6 part-time faculty salaries more comparable to full-time
7 salaries for similar work, as determined through each
8 district's local collective bargaining process. These
9 funds shall not supplant the amount of resources each
10 district used to compensate part-time faculty or be
11 used to exceed parity of each part-time faculty em-
12 ployed by each district with regular full-time faculty
13 at the same district, as certified by the chancellor. If
14 a district achieves parity, its allocation may be used
15 for any other educational purpose.

- 16 17. (a) \$20,651,000 of the funds provided in Schedule
17 (16) for the Telecommunications and Technology
18 Services Program shall be for the purpose of
19 supporting technical and application innovations
20 and for coordination of activities that serve to
21 maximize the utility of the technology investments
22 of the community college system towards improv-
23 ing learning outcomes. Allocations shall be made
24 by the Chancellor of the California Community
25 Colleges, based on criteria and guidelines as de-
26 veloped by the chancellor, on a competitive basis
27 through the RFA/RFP application process for the
28 following purposes:
- 29 (1) Provision of access to statewide multimedia
30 hosting and delivery services for state col-
31 leges and districts.
 - 32 (2) Provision of systemwide Internet, audio
33 bridging, and telephony.
 - 34 (3) Technical assistance and planning, coopera-
35 tive purchase agreements, and faculty and
36 staff development in a manner consistent with
37 paragraph (3) of subdivision (b) of Provision
38 17 of Item 6870-101-0001 of the Budget Act
39 of 1996 (Ch. 162, Stats. 1996).

- 1 (4) Ongoing support for the California Virtual
2 Campus Distance Education Program.
3 (5) Ongoing support for programs designed to
4 use technology in assisting accreditation and
5 the alignment of curricula across K–20 seg-
6 ments in California.
7 (6) Support for technology pilots and ongoing
8 technology programs and applications that
9 serve to maximize the utility and economy
10 of scale of the technology investments of the
11 community college system towards improv-
12 ing learning outcomes.
13 (7) Support for the Student Friendly Services
14 Program.

15 In addition, a portion of the funds provided in
16 this subdivision shall be available for allocations
17 to districts. It is the intent of the Legislature that
18 these funds be used by colleges to maintain the
19 technology capabilities specified in subdivision
20 (a) of Provision 21 of Item 6870-101-0001 of the
21 Budget Act of 2003 (Ch. 157, Stats. 2003). These
22 funds shall not supplant existing funds used for
23 those purposes, and colleges shall match mainte-
24 nance and ongoing costs with other funds as pro-
25 vided by subdivision (a) of Provision 21 of Item
26 6870-101-0001 of the Budget Act of 2003 (Ch.
27 157, Stats. 2003).

- 28 (b) The Office of the Chancellor of the California
29 Community Colleges shall develop the reporting
30 criteria for all programs funded by this item and
31 shall submit that for review along with an annual
32 progress report on program implementation to the
33 Legislative Analyst and the Department of Fi-
34 nance no later than December 1 of each year.
35 Reporting shall include summaries of allocations
36 and expenditures by program and by district,
37 where applicable.
38 (c) Of the funds provided in Schedule (16),
39 \$1,139,000 is for ongoing support and expansion
40 of the California Partnership for Achieving Stu-

dent Success (Cal-PASS) program. As a condition of receipt of these funds, the grantee shall submit to the office of the chancellor, by October 15 of each year, all of the following: (1) a report that includes the numbers and percentages of institutions and school districts that have signed agreements and the number and percentage that have actively submitted data in the current year and (2) an annual financial audit, as prescribed by the chancellor, that includes an accounting of all funding sources and all uses of funds by funding source. The report and audit also shall be submitted to the Legislative Analyst, the Department of Finance, and the appropriate budget subcommittees of the budget committees of each house of the Legislature. It is the intent of the Legislature that all reporting requirements contained in this subdivision shall be completed using funds provided to the grantee.

18. Of the amount appropriated in Schedule (17) for the Economic and Workforce Development Program, pursuant to Part 52.2 (commencing with Section 88600) of Division 7 of Title 3 of the Education Code, the following shall apply:

- (a) Up to 10 percent may be allocated for state level technical assistance activities in support of the intent of Chapter 361 of the Statutes of 2012, including statewide network leadership, organizational development, coordination, information and support services, or other program purposes. Any augmentation to state level activities funding is subject to approval of the Department of Finance, not sooner than 30 days after the notification in writing to the chairpersons of the fiscal committees of each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee.
- (b) All remaining funds shall be allocated for programming that target investment at priority and emergent sectors, including statewide and/or regional

1 centers, hubs, collaborative communities, advisory
2 bodies, and short-term grants. Short-term grants
3 can include industry-driven regional education
4 and training, Responsive Incumbent Worker
5 Training, and Job Development Incentive Train-
6 ing.

7 (c) Prior to the expenditure of these funds, the
8 Chancellor of the California Community Colleges
9 shall submit a proposed expenditure plan and the
10 rationale therefor, to the Department of Finance
11 for approval. The expenditure plan shall include
12 the following:

- 13 (1) A statewide and regional delivery system.
- 14 (2) A targeting of investments to competitive
15 and emergent sectors important to regional
16 economies as well as use of short-term grants
17 to meet employer-driven training needs.
- 18 (3) Program support to increase the impact of
19 college career technical education (CTE)
20 programs (including contextualized CTE
21 programs) on regional economies; statewide
22 accountability data collection and perfor-
23 mance evaluation; statewide training, devel-
24 opment, and coordination; labor market re-
25 search; and continuous program improve-
26 ments.

27 (d) The following provisions apply to the expendi-
28 tures of these funds:

- 29 (1) Funds applied to performance-based training
30 shall be matched by a minimum of \$1 of pri-
31 vate business and industry funding for each
32 \$1 of state funds. The Chancellor of the Cal-
33 ifornia Community Colleges shall consider
34 the level of involvement and financial com-
35 mitments of business and industry in making
36 awards for performance-based training.
- 37 (2) Funds allocated by the Chancellor of the
38 California Community Colleges under this
39 program may not be used by community
40 college districts to supplant existing contract

1 education offerings. The chancellor shall en-
2 sure that funds are spent only for expanded
3 services and shall implement accountability
4 reporting for districts receiving these funds
5 to ensure that training, credit, and noncredit
6 programs remain relevant to business needs.

7 (3) Any funds that become available due to sav-
8 ings, discontinuance, or reduction of amounts
9 shall be evaluated against labor market needs
10 and regional economies for reallocation
11 within the economic and workforce develop-
12 ment program.

13 (e) Fiscal agents of program funds intended to serve
14 statewide or regional functions do not have author-
15 ity to flex program funds. The Office of the
16 Chancellor may adjust allocations, as necessary,
17 to preclude this action.

18 (f) (1) \$50,000,000 of the funds appropriated in
19 Schedule (17) shall be provided on a one-time
20 basis to create greater incentive for California
21 Community Colleges to develop, enhance,
22 retool, and expand quality career technical
23 education offerings that build upon existing
24 community college regional capacity to re-
25 spond to regional labor market needs. Funds
26 may be used for equipment, curriculum devel-
27 opment, professional development, and other
28 related costs necessary to develop, enhance,
29 retool, and expand quality career technical
30 education offerings.

31 (2) The Chancellor of the California Community
32 Colleges shall allocate these funds to the
33 community college regions based on a formu-
34 la that factors in the total number of full-time
35 equivalent students, including full-time
36 equivalent students in career technical educa-
37 tion courses. The Chancellor of the California
38 Community Colleges shall, in consultation
39 with community colleges within each region,
40 designate either the district then serving as

1 the fiscal agent for the regional consortia or
2 an alternative district to serve as the fiscal
3 agent for these funds.

- 4 (3) The funds shall be distributed by the fiscal
5 agent to the California Community College
6 districts within the region for career technical
7 education programs that are developed with
8 industry input, matched by industry re-
9 sources, and adopted by faculty upon certifi-
10 cation by the regional consortia. The courses
11 or programs of study for which the funds are
12 requested shall meet all of the following cri-
13 teria:

14 (A) Be for occupations and sectors that are
15 demonstrated to be in demand in the regional
16 labor market.

17 (B) Be for occupations for which regional produc-
18 tion of employees is insufficient to meet labor
19 market demand.

20 (C) Demonstrate regional alignment of program
21 and curricula.

- 22 (4) Priority for funding shall go to programs that
23 meet all of the criteria listed in paragraph (3)
24 and that meet one or more of the following
25 criteria:

26 (A) Are in priority sectors identified by the re-
27 gion.

28 (B) Are in emerging sectors identified by the re-
29 gion.

30 (C) Are articulated with K-12 or four year insti-
31 tutions.

- 32 (5) Individual colleges and districts shall be re-
33 sponsible for identifying eligible programs
34 and their faculty, implementing courses and
35 programs to meet regional capacity needs,
36 participating in regional coordination efforts,
37 articulating with K-12 and four year institu-
38 tions, and submitting outcome data to the
39 Chancellor of the California Community
40 Colleges.

- 1 (6) The regional consortia shall be responsible
2 for certifying labor market demand with input
3 from regional employers and essential work-
4 force and economic development partners,
5 prioritizing investment of funds according to
6 industry sections and occupations, and ensur-
7 ing regional coordination.
- 8 (7) The district designated as the fiscal agent in
9 each region shall be responsible for distribut-
10 ing the funds to each district within its region
11 following certification by the regional consor-
12 tia that the courses and programs submitted
13 by the districts and colleges for funding meet
14 the criteria listed in this subdivision (f).
- 15 (8) The Chancellor of the California Community
16 Colleges shall be responsible for administer-
17 ing the distribution of funds to the fiscal
18 agents for each region and monitoring
19 progress toward meeting regional and
20 statewide career technical education needs.
- 21 19. (a) The funds appropriated in Schedule (18) for the
22 Transfer Education and Articulation Program are
23 available to support transfer and articulation
24 projects and common course numbering projects.
- 25 (b) Funding provided to community college districts
26 from Schedule (18) is provided to directly offset
27 any mandated costs claimed by community col-
28 lege districts pursuant to Chapter 737 of the
29 Statutes of 2004.
- 30 20. (a) Any funds appropriated in Schedule (19) are
31 available for the following purposes:
32 (1) Scheduled maintenance and special repairs
33 of facilities. The Chancellor of the California
34 Community Colleges shall allocate funds to
35 districts on the basis of actual reported full-
36 time equivalent students (FTES), and may
37 establish a minimum allocation per district.
38 As a condition for receiving and expending
39 these funds for maintenance or special re-
40 pairs, a district shall certify that it will in-

- 1 crease its operations and maintenance
2 spending from the 1995–96 fiscal year by the
3 amount it allocates from this appropriation
4 for maintenance and special repairs. The
5 question of whether a district has complied
6 with its resolution shall be reviewed under
7 the annual audit of that district.
- 8 (2) Hazardous substances abatement, cleanup,
9 and repairs.
- 10 (3) Architectural barrier removal projects that
11 meet the requirements of the federal Ameri-
12 cans with Disabilities Act of 1990 (42 U.S.C.
13 Sec. 12101 et seq.) and seismic retrofit
14 projects limited to \$400,000.
- 15 (b) Any funds appropriated in Schedule (19) are
16 available for replacement of instructional equip-
17 ment and library materials. The funds provided
18 for instructional equipment and library materials
19 shall not be used for personal services costs or
20 operating expenses. The chancellor shall allocate
21 funds to districts on the basis of actual reported
22 FTES and may establish a minimum allocation
23 per district. The question of whether a district has
24 complied with its resolution shall be reviewed
25 under the annual audit of that district.
- 26 (c) Any funds appropriated in Schedule (19) shall be
27 available for one-time use in the 2014–15 fiscal
28 year.
- 29 21. Of the funds appropriated in Schedule (20) for Extend-
30 ed Opportunity Programs and Services and Special
31 Services, \$79,273,000 is for Extended Opportunity
32 Programs and Services (EOPS) in accordance with
33 Article 8 (commencing with Section 69640) of Chapter
34 2 of Part 42 of Division 5 of Title 3 of the Education
35 Code. Funds provided in this item for EOPS shall be
36 available to students on all campuses within the Cali-
37 fornia Community Colleges system, including those
38 students on new campuses or in new districts. In addi-
39 tion, \$9,332,000 is for funding, at all colleges, the
40 Cooperative Agencies Resources for Education

(CARE) program in accordance with Article 4 (commencing with Section 79150) of Chapter 9 of Part 48 of Division 7 of Title 3 of the Education Code. The Board of Governors of the California Community Colleges shall allocate funds on a priority basis to local programs on the basis of need for student services.

22. Of the funds appropriated in Schedule (20) for the Extended Opportunity Programs and Services and Special Services, no less than \$4,972,000 shall be available to support additional textbook assistance grants to community college students as an allowable expenditure consistent with paragraph (10) of subdivision (b) of Section 69648 of the Education Code. In addition, these funds shall not supplant the amount of resources used for textbook grants in the 2001–02 fiscal year.

23. The funds appropriated in Schedule (21) for the Fund for Student Success are for additional targeted student services, to be expended as follows:

(a) \$1,183,000 is for the Puente Project to support up to 75 colleges. These funds are available if matched by \$200,000 of private funds and the participating community colleges and University of California campuses maintain their 1995–96 fiscal year support level for the Puente Project. All funding shall be allocated directly to participating districts in accordance with their participation agreement.

(b) Up to \$1,515,000 is for the Mathematics, Engineering and Science Achievement (MESA) program. For each \$1 allocated, the recipient district shall provide \$1 in matching funds.

(c) No less than \$1,094,000 is for the Middle College High School Program. With the exception of fully compliant special part-time students at the community colleges pursuant to Sections 48802 and 76001 of the Education Code, student workload based on participation in the Middle College High School Program shall not be eligible for community college state apportionment. Further, no

community college state apportionment shall be made available for physical education classes, noncredit classes, nor other courses specified in Provision 8.

24. Pursuant to Sections 69648.5, 78216, and 84850, and subdivision (b) of Section 87108, of the Education Code, the Board of Governors of the California Community Colleges may allocate funds appropriated in Schedules (7), (10), (12), and (20) by grant or contract, or through the apportionment process, to one or more districts for the purpose of providing program evaluation, accountability, monitoring, or program development services, as appropriate under the applicable statute.
25. The funds appropriated in Schedule (23) for the Campus Child Care Tax Bailout shall be allocated by the Chancellor of the California Community Colleges to community college districts that levied child care permissive override taxes in the 1977–78 fiscal year pursuant to Sections 8329 and 8330 of the Education Code in an amount proportional to the property tax revenues, tax relief subventions, and state aid required to be made available by the district to its child care and development program for the 1979–80 fiscal year pursuant to Section 30 of Chapter 1035 of the Statutes of 1979, increased or decreased by any cost-of-living adjustment granted in subsequent fiscal years. These funds shall be used only for the purpose of community college child care and development programs.
26. With regard to the funds appropriated in Schedule (24), Nursing Program Support, all of the following shall apply:
 - (a) \$8,475,000 shall be used to provide support for nursing program enrollment and equipment needs consistent with paragraph (2) of subdivision (a) of Section 2 of Chapter 514 of the Statutes of 2001. Funding for nursing enrollment shall provide a marginal increase in funding in addition to the amount provided for each full-time equivalent student for regular growth in apportionments.

- 1 (b) \$4,903,000 shall be used to provide diagnostic
2 and support services, preentry coursework, alter-
3 native program delivery model development, and
4 other services to reduce the incidence of student
5 attrition in nursing programs.
- 6 (c) Funds shall be allocated according to the follow-
7 ing criteria:
- 8 (1) The degree to which the funds provided
9 would be used to increase student enrollment
10 in nursing programs beyond the level of full-
11 time equivalent students served in the
12 2011–12 academic year.
- 13 (2) The district’s level of attrition from nursing
14 programs and the suitability of planned ex-
15 penditures to address attrition levels.
- 16 (3) The degree to which funds provided would
17 be used to support infrastructure or equip-
18 ment needs with the intent of building capac-
19 ity and increasing the number of nursing
20 students served.
- 21 (4) For districts with attrition rates of 15 percent
22 or more, new funding shall focus on attrition
23 reduction. For districts with attrition rates
24 below 15 percent, new funding shall focus
25 on enrollment expansion.
- 26 (d) On or before March 1 of each year, the Chancellor
27 of the California Community Colleges shall pro-
28 vide the Legislature and the Department of Fi-
29 nance with a report on the allocation of funding.
30 For each district receiving funding under this item,
31 the report shall include all of the following: (1)
32 the amount of funding received, (2) the number
33 of nursing full-time equivalent students served in
34 the 2006–07 academic year, and the additional
35 number of nursing full-time equivalent students
36 served with funding provided in this item in each
37 subsequent year, (3) the district’s attrition and
38 completion rates in the 2006–07 academic year
39 and subsequent years, (4) any equipment or infras-
40 tructure-related items acquired with the funds

- 1 appropriated in this item, and (5) the number of
2 new and existing faculty receiving annual stipend
3 awards.
- 4 27. Notwithstanding any other provision of law, the
5 Chancellor of the California Community Colleges
6 shall allocate categorical funds as specified in legisla-
7 tion enacted in 2009 and as amended in 2010. Pursuant
8 to the conditions specified in that legislation, districts
9 may utilize funds allocated from Schedules (11), (12),
10 (13), (14), (15), (17), (18), and (23) as further specified
11 in that legislation. Notwithstanding this provision and
12 subdivision (b) of Section 84043 of the Education
13 Code, the chancellor may adjust allocations, as neces-
14 sary, for funding provided pursuant to Schedules (11),
15 (17), and (18) in support of statewide or regional
16 functions.
- 17 28. Funding provided to community college districts in
18 Schedule (1) is provided to directly offset any mandat-
19 ed costs claimed by community college districts for
20 the Minimum Conditions for State Aid (02-TC-25 and
21 02-TC-31) mandated program as determined by the
22 Commission on State Mandates.
- 23 29. (a) The amount appropriated in Schedule (3.5) for
24 the Apprenticeship Training and Instruction shall
25 be available as necessary upon certification by
26 the Chancellor of the California Community
27 Colleges for the purpose of funding local educa-
28 tional agency related and supplemental instruction
29 pursuant to Section 3074 of the Labor Code, as
30 provided in Article 8 (commencing with Section
31 8150) of Chapter 1 of Part 6 of Division 1 of Title
32 1 of the Education Code. A local educational
33 agency shall not use funds available under this
34 provision to offer any new apprenticeship training
35 program or the expansion of any existing program
36 unless the new program or expansion has been
37 approved by the Division of Apprenticeship
38 Standards.
- 39 (b) Notwithstanding Article 8 (commencing with
40 Section 8150) of Chapter 1 of Part 6 of Division

1 of Title 1 of the Education Code, each hour of teaching time devoted to each indentured apprentice enrolled in and attending classes of related and supplemental instruction, as provided pursuant to Section 3074 of the Labor Code, shall be reimbursed at the rate of \$5.04 per hour. For purposes of this provision, each hour of teaching time may include up to 10 minutes for passing time and breaks.

30. (a) The amount appropriated in Schedule (26) for Expanding the Delivery of Courses through Technology shall be allocated to the Chancellor of the California Community Colleges and used to increase the number of courses available to matriculated undergraduates, and, to the extent possible, high school students seeking college credits, through the use of technology and to provide alternative methods for students to earn college credit. For online-only courses, the chancellor shall ensure, to the extent possible, that the courses selected for this purpose can be articulated across all community college districts and shall additionally ensure that students enrolling and successfully completing these courses are granted degree-applicable cross-campus transfer credit. The chancellor shall also ensure that these online-only courses are made available to students systemwide, regardless of the campus where they are enrolled. The Legislature's intent is to maximize the development of online courses available across campuses to alleviate shortages of certain core courses at certain campuses.

(b) These funds shall be used for those courses that have the highest demand, fill quickly, and are prerequisites for many different degrees. By March 1, 2015, the chancellor shall submit a report to the Department of Finance and the Joint Legislative Budget Committee detailing the use of these funds and any outcomes that may be attributed to their use. The report shall include the

1 proposed use of these funds in the 2015–16 fiscal
2 year.

3 31. The Chancellor of the California Community Colleges
4 shall report annually to both the Department of Finance
5 and the Joint Legislative Budget Committee, no later
6 than September 30, on the status of recouping funds
7 owed to the state from the Desert Community College
8 District.

9

10 ~~SEC. 19.~~

11 *SEC. 21.* Item 7100-001-0514 of Section 2.00 of the Budget
12 Act of 2014 is amended to read:

13

14 7100-001-0514—For support of Employment Development
15 Department, for payment to Item 7100-001-0870, payable
16 from the Employment Training Fund..... 73,193,000
17 Provisions:

- 18 1. Upon order of the Director of Finance, funds disencum-
19 bered from Employment Training Fund training con-
20 tracts during the 2014–15 fiscal year that have not re-
21 verted as of July 1, 2014, may be appropriated in
22 augmentation of this item.
- 23 2. Notwithstanding subparagraph (B) of paragraph (2)
24 of subdivision (a) of Section 10206 of the Unemploy-
25 ment Insurance Code, the Employment Training Pan-
26 el’s administrative costs may exceed 15 percent of the
27 amount appropriated in this item.

28

29 ~~SEC. 20.~~

30 *SEC. 22.* Item 7100-001-0870 of Section 2.00 of the Budget
31 Act of 2014 is amended to read:

32

33 7100-001-0870—For support of Employment Development
34 Department, payable from the Unemployment Administra-
35 tion Fund—Federal..... 584,593,000
36 Schedule:

- 37 (1) 10-Employment and Employment-Re-
38 lated Services..... 180,765,000
- 39 (2) 21-Tax Collections and Benefit Pay-
40 ments..... 810,781,000

1	(3) 22-California Unemployment Insurance	
2	Appeals Board.....	68,167,000
3	(4) 30.01-General Administration.....	52,969,000
4	(5) 30.02-Distributed General Administra-	
5	tion.....	-50,983,000
6	(6) 50-Employment Training Panel.....	70,632,000
7	(7) Reimbursements.....	-26,145,000
8	(8) Amount payable from the General	
9	Fund (Item 7100-001-0001).....	-68,962,000
10	(9) Amount payable from the Employment	
11	Development Department Benefit Au-	
12	dit Fund (Item 7100-001-0184).....	-11,677,000
13	(10) Amount payable from the Employ-	
14	ment Development Department	
15	Contingent Fund (Item 7100-001-	
16	0185).....	-117,185,000
17	(11) Amount payable from the Employment	
18	Training Fund (Item 7100-001-	
19	0514).....	-73,193,000
20	(12) Amount payable from the Unemploy-	
21	ment Compensation Disability Fund	
22	(Item 7100-001-0588).....	-249,565,000
23	(13) Amount payable from the School Em-	
24	ployees Fund (Item 7100-001-0908)....	-1,011,000
25	Provisions:	
26	1. Funds appropriated in this item are in lieu of the	
27	amounts that otherwise would have been appropriated	
28	pursuant to Section 1555 of the Unemployment Insur-	
29	ance Code.	
30	2. Provision 1 of Item 7100-001-0588 also applies to	
31	funds appropriated in this item for the Unemployment	
32	Insurance Program.	
33	3. The Employment Development Department shall re-	
34	port to the Director of Finance, the chairpersons of the	
35	fiscal committees of both houses of the Legislature,	
36	and the Legislative Analyst's Office by March 1, 2015,	
37	on the year-to-date, broken out by month, Unemploy-	
38	ment Insurance Program service levels as they relate	
39	to all of the following: (a) the number and percentage	
40	of initial claims for unemployment benefits processed	

within three days of receipt; (b) the number and percentage of online inquiries responded to within five days of receipt, (c) the number and percentage of eligibility determinations scheduled within a timely manner, and, (d) the number and percentage of telephone calls responded to per week. In addition, the report shall include any program or process efficiencies identified by the department and how such efficiencies impact resource needs.

~~SEC. 21.~~

SEC. 23. Item 8660-001-0462 of Section 2.00 of the Budget Act of 2014 is amended to read:

8660-001-0462—For support of Public Utilities Commission, payable from the Public Utilities Commission Utilities Reimbursement Account..... 95,263,000

Schedule:

(1) 10-Regulation of Utilities.....	157,888,000
(2) 15-Universal Service Telephone Programs.....	93,555,000
(3) 20-Regulation of Transportation.....	29,194,000
(4) 30.01-Administration.....	43,132,000
(5) 30.02-Distributed Administration.....	-43,134,000
(6) Reimbursements.....	-60,544,000
(7) Amount payable from the State Highway Account, State Transportation Fund (Item 8660-001-0042).....	-3,963,000
(8) Amount payable from the Public Transportation Account, State Transportation Fund (Item 8660-001-0046).....	-5,964,000
(9) Amount payable from the Transportation Rate Fund (Item 8660-001-0412)....	-2,839,000
(10) Amount payable from the Public Utilities Commission Transportation Reimbursement Account (Item 8660-001-0461).....	-13,009,000

1	(11) Amount payable from the California	
2	High-Cost Fund-A Administrative	
3	Committee Fund (Item 8660-001-	
4	0464).....	-1,474,000
5	(12) Amount payable from the California	
6	High-Cost Fund-B Administrative	
7	Committee Fund (Item 8660-001-	
8	0470).....	-1,441,000
9	(13) Amount payable from the Universal	
10	Lifeline Telephone Service Trust Ad-	
11	ministrative Committee Fund (Item	
12	8660-001-0471).....	-21,194,000
13	(14) Amount payable from the Deaf and	
14	Disabled Telecommunications Pro-	
15	gram Administrative Committee Fund	
16	(Item 8660-001-0483).....	-62,657,000
17	(15) Amount payable from the Payphone	
18	Service Providers Committee Fund	
19	(Item 8660-001-0491).....	-72,000
20	(16) Amount payable from the California	
21	Teleconnect Fund Administrative	
22	Committee Fund (Item 8660-001-	
23	0493).....	-2,945,000
24	(17) Amount payable from the Federal Trust	
25	Fund (Item 8660-001-0890).....	-5,498,000
26	(18) Amount payable from the California	
27	Advanced Services Fund (Item 8660-	
28	001-3141).....	-3,772,000
29	Provisions:	
30	1. The Public Utilities Commission shall require any	
31	public utility requesting a merger to reimburse the	
32	commission for those necessary expenses that the	
33	commission incurs in its consideration of the proposed	
34	merger. Notwithstanding any other provision of law,	
35	due to the bankruptcy of Sacramento Natural Gas	
36	Storage, the commission's intervenor compensation	
37	award to the Avondale Glen Elder Neighborhood As-	
38	sociation in A.07-04-013 has been reduced to a fraction	
39	of the amount awarded. In this limited circumstance,	
40	the commission may expend up to \$1,500,000 to pay	

to the Avondale Glen Elder Neighborhood Association the difference between the amount received from the bankruptcy court and the amount awarded by the commission by increasing charges collected from utilities pursuant to the commission's intervenor's compensation program established under Section 1807 of the Public Utilities Code.

~~SEC. 22.~~

SEC. 24. Item 8660-001-0493 of Section 2.00 of the Budget Act of 2014 is amended to read:

8660-001-0493—For support of Public Utilities Commission,	
for payment to Item 8660-001-0462, payable from the	
California Teleconnect Fund Administrative Committee	
Fund.....	2,945,000

~~SEC. 23.~~

SEC. 25. Item 8660-101-0493 of Section 2.00 of the Budget Act of 2014 is amended to read:

8660-101-0493—For local assistance, Public Utilities Commission, pursuant to Section 270 of the Public Utilities Code,	
payable from the California Teleconnect Administrative	
Committee Fund.....	104,605,000
Provisions:	

1. Notwithstanding any other provision of law, upon request of the Public Utilities Commission, the Department of Finance may augment the amount available for expenditure in this item to pay claims made to the California Teleconnect Fund Administrative Committee Fund Program. The augmentation may be made no sooner than 30 days after notification in writing to the chairpersons of the committees in each house of the Legislature that consider appropriations and the Chairperson of the Joint Legislative Budget Committee. The amount of funds augmented pursuant to the authority of this provision shall be consistent with the

amount approved by the Department of Finance based on its review of the amount of claims received by the Public Utilities Commission from telecommunications carriers.

~~SEC. 24.~~

SEC. 26. Item 9800-001-0001 of Section 2.00 of the Budget Act of 2014 is amended to read:

9800-001-0001—For Augmentation for Employee Compensation..... 271,480,000

Provisions:

1. The amount appropriated in this item shall not be construed to control or influence collective bargaining between the state employer and employee representatives.
2. The funds appropriated in this item are for compensation increases and increases in benefits related thereto of employees whose compensation, or portion thereof, is chargeable to the General Fund, to be allocated by budget executive order by the Director of Finance to the several state offices, departments, boards, bureaus, commissions, and other state agencies, in augmentation of their respective appropriations or allocations, in accordance with approved memoranda of understanding or, for employees excluded from collective bargaining, in accordance with salary and benefit schedules established by the Department of Human Resources.
3. It is the intent of the Legislature that all proposed augmentations for increased employee compensation costs, including, but not limited to, base salary increases, pay increases to bring one group of employees into a pay equity position with another group of public employees, and recruitment and retention differentials, be budgeted and considered on a comprehensive, statewide basis. Therefore, the Legislature declares its intent to reject any proposed augmentations that are not included in Items 9800-001-0001, 9800-001-0494, and 9800-001-0988, given that these are the items where the funds to implement comprehensive

1 statewide compensation policies, including those
2 adopted pursuant to collective bargaining, are consid-
3 ered. This provision shall not apply to augmentations
4 for increased employee compensation costs resulting
5 from mandatory judicial orders to raise pay for any
6 group of employees or augmentations for increased
7 compensation costs, or approvals for departments to
8 provide increased employee compensation levels, that
9 are included in bills separate from the budget act.

- 10 4. This item contains funds estimated to be necessary to
11 implement side letters, appendices, or other addenda
12 to a memorandum of understanding (collectively re-
13 ferred to as “pending agreements”) that have been
14 determined by the Joint Legislative Budget Committee
15 to require legislative approval prior to their implemen-
16 tation, but which may not have been approved in sep-
17 arate legislation as of the date of the passage of this
18 act. In the event that the Legislature does not approve
19 separate legislation to authorize implementation of
20 any of the pending agreements, the Director of Finance
21 shall not allocate any funds related to those pending
22 agreements pursuant to Provision 2, and the expendi-
23 ture of funds for those pending agreements shall not
24 be deemed to have been approved by the Legislature.
- 25 5. As of July 31, 2015, the unencumbered balances of
26 the above appropriation shall revert to the General
27 Fund.
- 28 6. The Director of Finance may adjust this item of appro-
29 priation to reflect the health benefit premium rates
30 approved by the Board of Administration of the Cali-
31 fornia Public Employees’ Retirement System for the
32 2015 calendar year. Within 30 days of making any
33 adjustment pursuant to this provision, the Director of
34 Finance shall report the adjustment in writing to the
35 Chairperson of the Joint Legislative Budget Committee
36 and the chairpersons of the committees in each house
37 of the Legislature that consider appropriations.
- 38 7. By inclusion of this provision, for purposes of Sections
39 3517.5 and 3517.63 of the Government Code, the
40 Legislature hereby ratifies the following agreements

that require the expenditure of funds: (1) addendum concerning Aviation Consultants, dated November 22, 2013, to the Memorandum of Understanding (MOU) with State Bargaining Unit 1 (Service Employees International Union); (2) addendum concerning Recreational Therapists, dated March 4, 2014, to the MOU with State Bargaining Unit 19 (American Federation of State, County, and Municipal Employees); (3) the MOU dated May 5, 2014, with State Bargaining Unit 13 (International Union of Operating Engineers), including continuous appropriation of economic terms in the event that a budget act is not in place prior to July 1, 2016, such appropriation will be subsumed by the expenditure authority approved in the budget act for each affected department upon enactment of each applicable Budget Act; (4) addendum concerning Correctional Officers, dated May 9, 2014, to the MOU with State Bargaining Unit 6 (California Correctional Peace Officers Association); and (5) the MOU dated May 21, 2014, with State Bargaining Unit 10 (California Association of Professional Scientists), including continuous appropriation of economic terms in the event that a budget act is not in place prior to June 30, 2016, such appropriation will be subsumed by the expenditure authority approved in the budget act for each affected department upon enactment of each applicable budget act. The estimated costs to implement these agreements are included in this item or in departmental appropriations.

~~SEC. 25.~~

SEC. 27. Item 9800-001-0494 of Section 2.00 of the Budget Act of 2014 is amended to read:

9800-001-0494—For Augmentation for Employee Compensation, payable from other unallocated special funds..... 228,931,000

Provisions:

1. The amount appropriated in this item shall not be construed to control or influence collective bargaining

1 between the state employer and employee representa-
2 tives.

- 3 2. The funds appropriated in this item are for compensa-
4 tion increases and increases in benefits related thereto
5 of employees whose compensation, or portion thereof,
6 is chargeable to special funds, to be allocated by bud-
7 get executive order by the Director of Finance to the
8 several state offices, departments, boards, bureaus,
9 commissions, and other state agencies, in augmentation
10 of their respective appropriations or allocations, in
11 accordance with approved memoranda of understand-
12 ing or, for employees excluded from collective bargain-
13 ing, in accordance with salary and benefit schedules
14 established by the Department of Human Resources.

- 15 3. Notwithstanding any other provision of law, upon ap-
16 proval of the Director of Finance, expenditure author-
17 ity may be transferred between this item and Item
18 9800-001-0988 as necessary to fund costs for approved
19 memoranda of understanding or, for employees exclud-
20 ed from collective bargaining, in accordance with
21 salary and benefit schedules established by the Depart-
22 ment of Human Resources.

- 23 4. It is the intent of the Legislature that all proposed
24 augmentations for increased employee compensation
25 costs, including, but not limited to, base salary increas-
26 es, pay increases to bring one group of employees into
27 a pay equity position with another group of public
28 employees, and recruitment and retention differentials,
29 be budgeted and considered on a comprehensive,
30 statewide basis. Therefore, the Legislature declares its
31 intent to reject any proposed augmentations that are
32 not included in Items 9800-001-0001, 9800-001-0494,
33 and 9800-001-0988, given that these are the items
34 where the funds to implement comprehensive
35 statewide compensation policies, including those
36 adopted pursuant to collective bargaining, are consid-
37 ered. This provision shall not apply to augmentations
38 for increased employee compensation costs resulting
39 from mandatory judicial orders to raise pay for any
40 group of employees or augmentations for increased

1 compensation costs, or approvals for departments to
2 provide increased employee compensation levels, that
3 are included in bills separate from the budget act.

- 4 5. This item contains funds estimated to be necessary to
5 implement side letters, appendices, or other addenda
6 to a memorandum of understanding (collectively re-
7 ferred to as “pending agreements”) that have been
8 determined by the Joint Legislative Budget Committee
9 to require legislative approval prior to their implemen-
10 tation, but which may not have been approved in sep-
11 arate legislation as of the date of the passage of this
12 act. In the event that the Legislature does not approve
13 separate legislation to authorize implementation of
14 any of the pending agreements, the Director of Finance
15 shall not allocate any funds related to those pending
16 agreements pursuant to Provision 2, and the expendi-
17 ture of funds for those pending agreements shall not
18 be deemed to have been approved by the Legislature.

- 19 6. As of July 31, 2015, the unencumbered balances of
20 the above appropriation shall no longer be available
21 for expenditure.

- 22 7. The Director of Finance may adjust this item of appro-
23 priation to reflect the health benefit premium rates
24 approved by the Board of Administration of the Cali-
25 fornia Public Employees’ Retirement System for the
26 2015 calendar year. Within 30 days of making any
27 adjustment pursuant to this provision, the Director of
28 Finance shall report the adjustment in writing to the
29 Chairperson of the Joint Legislative Budget Committee
30 and the chairperson of the committees in each house
31 of the Legislature that consider appropriations.

- 32 8. By inclusion of this provision, for purposes of Sections
33 3517.5 and 3517.63 of the Government Code, the
34 Legislature hereby ratifies the following agreements
35 that require the expenditure of funds: (1) addendum
36 concerning Aviation Consultants, dated November 22,
37 2013, to the Memorandum of Understanding (MOU)
38 with State Bargaining Unit 1 (Service Employees In-
39 ternational Union); (2) addendum concerning Recre-
40 ational Therapists, dated March 4, 2014, to the MOU

with State Bargaining Unit 19 (American Federation of State, County, and Municipal Employees); (3) the MOU dated May 5, 2014, with State Bargaining Unit 13 (International Union of Operating Engineers), including continuous appropriation of economic terms in the event that a budget act is not in place prior to July 1, 2016; such appropriation will be subsumed by the expenditure authority approved in the budget act for each affected department upon enactment of each applicable budget act; (4) addendum concerning Correctional Officers, dated May 9, 2014, to the MOU with State Bargaining Unit 6 (California Correctional Peace Officers Association); and (5) the MOU dated May 21, 2014, with State Bargaining Unit 10 (California Association of Professional Scientists), including continuous appropriation of economic terms in the event that a budget act is not in place prior to June 30, 2016; such appropriation will be subsumed by the expenditure authority approved in the budget act for each affected department upon enactment of each applicable budget act. The estimated costs to implement these agreements are included in this item or in departmental appropriations.

~~SEC. 26.~~

SEC. 28. Item 9800-001-0988 of Section 2.00 of the Budget Act of 2014 is amended to read:

9800-001-0988—For Augmentation for Employee Compensation, payable from other unallocated nongovernmental cost funds..... 112,757,000

Provisions:

1. The amount appropriated in this item shall not be construed to control or influence collective bargaining between the state employer and employee representatives.
2. The funds appropriated in this item are for employee compensation increases, and increases in benefits related thereto, whose compensation or portion thereof is chargeable to nongovernmental cost funds, to be

1 allocated by budget executive order by the Director
2 of Finance to the several state offices, departments,
3 boards, bureaus, commissions, and other state agen-
4 cies, in augmentation of their respective appropriations
5 or allocations, in accordance with approved memoran-
6 da of understanding or, for employees excluded from
7 collective bargaining, in accordance with salary and
8 benefit schedules established by the Department of
9 Human Resources.

- 10 3. Notwithstanding any other provision of law, upon ap-
11 proval of the Director of Finance, expenditure author-
12 ity may be transferred between Item 9800-001-0494
13 and this item as necessary to fund costs for approved
14 memoranda of understanding or, for employees exclud-
15 ed from collective bargaining, in accordance with
16 salary and benefit schedules established by the Depart-
17 ment of Human Resources.

- 18 4. It is the intent of the Legislature that all proposed
19 augmentations for increased employee compensation
20 costs, including, but not limited to, base salary increas-
21 es, pay increases to bring one group of employees into
22 a pay equity position with another group of public
23 employees, and recruitment and retention differentials,
24 be budgeted and considered on a comprehensive,
25 statewide basis. Therefore, the Legislature declares its
26 intent to reject any proposed augmentations that are
27 not included in Items 9800-001-0001, 9800-001-0494,
28 and 9800-001-0988, given that these are the items
29 where the funds to implement comprehensive
30 statewide compensation policies, including those
31 adopted pursuant to collective bargaining, are consid-
32 ered. This provision shall not apply to augmentations
33 for increased employee compensation costs resulting
34 from mandatory judicial orders to raise pay for any
35 group of employees or augmentations for increased
36 compensation costs, or approvals for departments to
37 provide increased employee compensation levels, that
38 are included in bills separate from the budget act.

- 39 5. This item contains funds estimated to be necessary to
40 implement side letters, appendices, or other addenda

1 to a memorandum of understanding (collectively re-
2 ferred to as “pending agreements”) that have been
3 determined by the Joint Legislative Budget Committee
4 to require legislative approval prior to their implemen-
5 tation, but which may not have been approved in sep-
6 arate legislation as of the date of the passage of this
7 act. In the event that the Legislature does not approve
8 separate legislation to authorize implementation of
9 any of the pending agreements, the Director of Finance
10 shall not allocate any funds related to those pending
11 agreements pursuant to Provision 2, and the expendi-
12 ture of funds for those pending agreements shall not
13 be deemed to have been approved by the Legislature.

14 6. As of July 31, 2015, the unencumbered balances of
15 the above appropriation shall no longer be available
16 for expenditure.

17 7. The Director of Finance may adjust this item of appro-
18 priation to reflect the health benefit premium rates
19 approved by the Board of Administration of the Cali-
20 fornia Public Employees’ Retirement System for the
21 2015 calendar year. Within 30 days of making any
22 adjustment pursuant to this provision, the Director of
23 Finance shall report the adjustment in writing to the
24 Chairperson of the Joint Legislative Budget Committee
25 and the chairpersons of the committees in each house
26 of the Legislature that consider appropriations.

27 8. By inclusion of this provision, for purposes of Sections
28 3517.5 and 3517.63 of the Government Code, the
29 Legislature hereby ratifies the following agreements
30 that require the expenditure of funds: (1) addendum
31 concerning Aviation Consultants, dated November 22,
32 2013, to the Memorandum of Understanding (MOU)
33 with State Bargaining Unit 1 (Service Employees In-
34 ternational Union); (2) addendum concerning Recre-
35 ational Therapists, dated March 4, 2014, to the MOU
36 with State Bargaining Unit 19 (American Federation
37 of State, County, and Municipal Employees); (3) the
38 MOU dated May 5, 2014, with State Bargaining Unit
39 13 (International Union of Operating Engineers), in-
40 cluding continuous appropriation of economic terms

in the event that a budget act is not in place prior to July 1, 2016, such appropriation will be subsumed by the expenditure authority approved in the budget act for each affected department upon enactment of each applicable budget act; (4) addendum concerning Correctional Officers, dated May 9, 2014, to the MOU with State Bargaining Unit 6 (California Correctional Peace Officers Association); and (5) the MOU dated May 21, 2014, with State Bargaining Unit 10 (California Association of Professional Scientists), including continuous appropriation of economic terms in the event that a budget act is not in place prior to June 30, 2016, such appropriation will be subsumed by the expenditure authority approved in the budget act for each affected department upon enactment of each applicable budget act. The estimated costs to implement these agreements are included in this item or in departmental appropriations.

~~SEC. 27.~~

SEC. 29. Section 11.00 of the Budget Act of 2014 is amended to read:

Sec. 11.00. The Department of Finance shall report to the Joint Legislative Budget Committee when a reportable information technology project's overall costs increase by \$5,000,000 or 20 percent of the budgeted cost of the project, whichever is less. Each report shall include all of the following: (1) the total change in cost, scope, and schedule; (2) the reason for the change or changes; (3) a description of new, amended, or new and amended contracts required as a result of the change or changes; (4) a list of the risks and issues identified in the last two Independent Verification and Validation and Independent Project Oversight Reports and any risk and issue that has been identified since those reports; and (5) the department's planned mitigation of these risks and issues. The report shall be made no less than 30 calendar days prior to any commitment to a new contract or contract amendment that is a result of the change or changes identified above, or a lesser period if requested by the department and approved by the Chairperson of the Joint Legislative Budget Committee or his or her designee.

1 ~~SEC. 28.~~

2 *SEC. 30.* Section 39.00 of the Budget Act of 2014 is amended
3 to read:

4 Sec. 39.00. The Legislature hereby finds and declares that the
5 following bills are other bills providing for appropriations related
6 to the Budget Bill within the meaning of subdivision (e) of Section
7 12 of Article IV of the California Constitution: AB 1458, AB 1459,
8 AB 1460, AB 1461, AB 1462, AB 1463, AB 1464, AB 1465, AB
9 1466, AB 1467, AB 1468, AB 1469, AB 1471, AB 1472, AB 1473,
10 AB 1474, AB 1475, AB 1476, AB 1477, AB 1478, AB 1479, AB
11 1480, AB 1481, AB 1482, AB 1483, AB 1484, AB 1485, AB 1486,
12 AB 1487, AB 1488, AB 1489, AB 1490, AB 1491, AB 1492, AB
13 1493, AB 1494, AB 1495, AB 1496, AB 1497, SB 853, SB 854,
14 SB 855, SB 856, SB 857, SB 858, SB 859, SB 860, SB 861, SB
15 862, SB 863, SB 864, SB 866, SB 867, SB 868, SB 869,, SB 870,
16 SB 873, SB 874, SB 875, SB 876, SB 877, SB 878, SB 879, SB
17 880, SB 881, SB 882, SB 883, SB 884, SB 885, SB 886, SB 887,
18 SB 888, SB 889, SB 890, and SB 891.

19 ~~SEC. 29.~~

20 *SEC. 31.* This act is a Budget Bill within the meaning of
21 subdivision (e) of Section 12 of Article IV of the California
22 Constitution and shall take effect immediately.